

# **A G E N D A**

## **UTAH BOARD OF WATER RESOURCES** Weber Basin Water Conservancy District 2837 East Highway 193 Layton, Utah

August 10, 2007

**8:30 a.m.**

- I. CALL TO ORDER
- II. APPROVAL OF MINUTES - June 7 & 8, 2007
- III. CHAIR'S REPORT
- IV. FEASIBILITY REPORTS

	<u>County</u>
E204 Grave Yard Irr. Co.	Sanpete
E221 Glenwood Irr. Co.	Sevier
E222 South Cove Culinary Water Co.	Cache
- V. COMMITTAL OF FUNDS

E208 South Weber Irr. Co.	Davis
E213 Rocky Ford Irr. Co.	Beaver
- VI. SPECIAL ITEMS

E180 Twin Creek Irr. Co. (Feas. Rpt. & Comm.)	San Pete
E225 Weber Basin WCD (Feas. Rpt. & Comm.)	Davis, Weber, & Summit
E228 Jordan Valley WCD (Credit Enhancement)	Salt Lake
E175 East Panguitch (Withdrawal)	Garfield
E127 Hi Country Estates Homeowners Association (Withdrawal)	Salt Lake
E128 Alton Water Co.(Withdrawal)	Kane
E160 West Cache Irr. Co. (Withdrawal)	Idaho
- VII. FLAMING GORGE WATER RIGHT  
Request for Reinstatement by Gunnison Butte Mutual Irr. Co.
- VIII. LAKE POWELL PIPELINE PROJECT - Project Update and Actions
- IX. DIRECTOR'S REPORT
- X. ADJOURNMENT

**BRIEFING MEETING AGENDA**

**UTAH BOARD OF WATER RESOURCES**

Weber Basin Water Conservancy District  
2837 East Highway 193  
Layton, Utah

August 9, 2007

**4:00 p.m.**

- |      |                        |                    |
|------|------------------------|--------------------|
| I.   | WELCOME/CHAIR'S REPORT | Chairman McPherson |
| II.  | DISCUSSION OF PROJECTS | Board/Staff        |
| III. | OTHER ITEMS            |                    |

# BOARD OF WATER RESOURCES

## Revolving Construction Fund

### Funding Status

August 10, 2007

Funds Available for Projects This FY	\$ 6,120,000
--------------------------------------	--------------

#### Projects Contracted This FY

1 Mosby Irr Co (Amend)	D730	\$ 4,360,000	
Total Funds Contracted		\$ 4,360,000	
Funds Balance		\$ 1,760,000	

#### Projects with Funds Committed

1 Utland Ditch Co	E182	\$ 270,000	
2 Sevier Valley Cnl Co	E197	195,500	
3 Providence-Logan Irr Co	E191	193,000	
4 North Creek Irr Co	E181	288,000	
5 Enterprise Res & Cnl Co (Upper Ent Dam)	C036	Grant	** 2,840,000
6 Enterprise Res & Cnl Co (Upper Ent Dam)	C036	Loan	** 160,000
* 7 Rocky Ford Irr Co	E213	87,300	
* 8 Twin Creek Irr Co	E180	475,000	
Total Funds Committed		\$ 4,509,000	
Funds Balance		\$ (2,749,000)	

#### Projects Authorized

1 Deseret Irr Co	E056	\$ 144,000	
2 Old Meadow Ranchos C&W Co	E210	68,000	
3 Hanksville Irr Co	E219	400,000	
* 4 Grave Yard Irr Co	E204	19,500	
* 5 South Cove Culinary Water Co	E222	66,000	
* 6 Glenwood Irr Co	E221	128,000	
Total Funds Authorized		\$ 826,000	
Remaining Funds Available		\$ (3,575,000)	

\* To be presented at Board Meeting

\*\* Dam Safety Projects

**BOARD OF WATER RESOURCES**

**Cities Water Loan Fund**

**Funding Status  
August 10, 2007**

Funds Available for Projects This FY	\$ 4,423,000
--------------------------------------	--------------

**Bonds Closed This FY**

1 Weber-Box Elder Cons Dist (Re-committal)	E209	\$ 233,000	
2 Centerfield Town	L547	<u>255,000</u>	
Total Bonds Closed			\$ 488,000
Funds Balance			\$ 3,935,000

**Projects with Funds Committed**

1 Garfield County School Dist	E220	\$ 459,000	
Total Funds Committed			\$ 459,000
Funds Balance			\$ 3,476,000

**Projects Authorized**

1 Deweyville, Town of	L557	\$ 1,346,400	
Total Funds Authorized			\$ 1,346,000
Remaining Funds Available			\$ 2,130,000

\* To be presented at Board Meeting

**BOARD OF WATER RESOURCES**

**Conservation & Development Fund**

**Funding Status  
August 10, 2007**

Funds Available for Projects This FY \$ 22,535,000

**Projects Contracted/Bonds Closed This FY**

1 Magna Water Co an Improvement Dist	E190	\$ 7,100,000
Total Funds Contracted/Closed		<u>7,100,000</u>
Funds Balance		\$ 15,435,000

**Projects with Funds Committed**

1 Lake Creek Irr Co (Ph 1)	E102	\$ 22,500
2 Ephraim Irr Co	E061	120,000
3 Parowan City (Bond Ins Grant)	E121	34,000
4 South Jordan City (Bond Ins Grant)	E224	45,000
5 Davis & Weber Counties Cnl Co (Ph 5)	E215	2,700,000
6 Saratoga Springs City (Bond Ins Grant)	E218	117,000
7 Clearfield City (Bond Ins Grant)	L559	24,000
* 8 South Weber Irr Co	E208	978,000
* 9 Weber Basin WCD (Ph 1)	E225	3,465,000
* 10 Jordan Valley WCD (Bond Ins Grant)	E228	<u>225,000</u>
Total Funds Committed		<u>\$ 7,731,000</u>
Funds Balance		\$ 7,704,000

**Projects Authorized**

1 Strawberry High Line Canal Co	D976	\$ 3,187,000
2 Uintah WCD (Island Ditch)	E036	342,000
3 Richland Nonprofit Water Co	E087	335,000
4 Lake Creek Irr Co (Ph 2)	E102	300,000
5 New Escalante Irr Co	E077	300,000
6 Provo River Water Users Association	E177	60,000,000
7 Whiterocks Irr Co	E084	4,955,000
8 Central Utah W C D	E205	60,000,000
* 9 Weber Basin WCD (Ph 2+)	E225	<u>56,035,000</u>
Total Funds Authorized		<u>\$ 185,454,000</u>
Remaining Funds Available		\$ (177,750,000)

\* To be presented at Board Meeting

# BOARD OF WATER RESOURCES

August 10, 2007

ADDITIONAL ACTIVE PROJECTS	Fund	Est. Board Cost	Total Cost
<b>Projects Under Investigation</b>			
1 Woodruff Irrigating Co	D680 C&D	\$ 600,000	\$ 800,000
2 Kane County WCD	D828 C&D	1,500,000	2,000,000
3 Keith Johnson	D996 RCF	37,500	50,000
4 Hyrum Blacksmith Fork Irr Co	E047 C&D	1,230,000	1,640,000
5 Mayfield Irr Co	E067 RCF	187,500	250,000
6 East Juab County WCD	E071 C&D	375,000	500,000
7 Ferron Canal & Res Co	E082 C&D	2,625,000	3,500,000
8 Weber-Box Elder Conservation Dist	E113 C&D	9,750,000	13,000,000
9 Cottonwood Creek Consolidated Irr Co	E125 C&D	3,750,000	5,000,000
10 Fremont Irr Co	E131 C&D	1,500,000	2,000,000
11 Grantsville Irr Co	E150 C&D	321,000	428,000
12 Vernon Irr Co	E158 RCF	37,500	50,000
13 Kingston Irr Water Co	E169 RCF	85,000	240,000
14 Greenwich Water Works Co	E171 RCF	112,500	250,000
15 Bullion Creek Irr Co	E172 RCF	75,000	100,000
16 Fountain Green Irr Co (Flow Augment)	E186 RCF	75,000	100,000
17 San Juan WCD	E198 C&D	3,000,000	4,000,000
18 Midvale City	L556 C&D	7,125,000	9,500,000
19 Wallsburg Irr Co	E203 RCF	90,000	120,000
20 Leota Irr Co, Inc	E207 C&D	2,800,000	3,500,000
21 Ouray Park Irr Co	E212 C&D	2,100,000	2,470,000
22 Corinne City	E216 C&D	80,000	100,000
23 Elk Ridge City	L558 C&D	1,900,000	2,600,000
24 West Field Irr Co	E217 RCF	68,000	85,000
25 Brooklyn Canal Co	E223 C&D	3,450,000	4,600,000
* 26 Devil's Pass Water Co	E226 RCF	157,500	210,000
* 27 Thompson Ditch Co	E227 RCF	142,500	190,000
* 28 Barton-LeFevre-Tebbs Co	E229 RCF	487,500	650,000
Subtotal		\$ 43,661,500	\$ 57,933,000

\* New Application

## BOARD OF WATER RESOURCES

August 10, 2007

### Additional Authorized or Committed Projects

1 Davis & Weber Counties Cnl Co (Ph 4)	D674	C&D	\$ 9,496,000	\$ 10,084,575
2 Weber Basin WCD (Secondary Irr, Ph 3-5)	E029	C&D	28,369,000	33,375,000
3 Davis & Weber Counties Cnl Co(Cnl Rehab)	E035	C&D	11,588,000	13,561,180
4 Hooper Irr Co (Press Irr, Ph 4)	E060	C&D	<u>11,033,000</u>	<u>12,980,000</u>
Subtotal			<u>\$ 60,486,000</u>	<u>\$ 70,000,755</u>
TOTAL ADDITIONAL PROJECTS			\$ 104,147,500	\$ 127,933,755

### INACTIVE PROJECTS

---

#### Long Term Large Water Conservation Projects

1 Sanpete WCD (Narrows Dam)	D377
2 Wayne County WCD	D494
3 Cedar City Valley Water Users	D584
4 Bear River WCD	D738
5 Central Utah WCD (Prepay FY98,99,00)	D960

BOARD OF WATER RESOURCES

Feasibility Report

Revolving Construction Fund

Appl. No.: **E-204**

Received: 6/13/06

Approved: 7/28/06

To be Presented at the August 10, 2007 Board Meeting

SPONSOR: **GRAVE YARD DITCH IRRIGATION COMPANY**

President: James Cheney

LOCATION: The proposed project is located north and west of the town of Fairview in Sanpete County.

EXISTING CONDITIONS & PROBLEMS: The sponsor delivers water from the San Pitch River to flood irrigate agricultural land north and west of Fairview. Water is diverted from the river into a 1½-mile long concrete-lined ditch before being piped for another 2/3 mile. The concrete-lined canal is 40 years old and is a yearly maintenance problem. Just west of the highway the concrete lining is broken up, making it difficult to get water to the end of the system.

The sponsor irrigates about 150 acres of alfalfa and grasses, and would like to replace about 2,400 feet of the canal with 15-inch (80 psi) PVC pipeline. Based on the current ditch efficiency of 65%, staff estimates about 200 acre-feet of water will be saved annually.

PROPOSED PROJECT: The sponsor is requesting financial assistance from the board to replace about 2,400 feet of open ditch with 15-inch PVC pipe, and install an inlet control structure and four turnout valves.

The project fits in Prioritization Category 3 (agricultural project that will provide a significant economic benefit to the local area.)



COST ESTIMATE: The following cost estimate has been prepared by NRCS and contains revisions by staff.

<u>Item</u>	<u>Description</u>	<u>Quantity</u>	<u>Unit</u> <u>Price</u>	<u>Amount</u>
1.	15-inch PVC Pipe (80 psi)	2,400 LF	\$21.00	\$50,400
2.	Valves	4 EA	150	600
3.	Inlet Control Structure	LS	2,000	2,000
Subtotal				\$53,000
Contingencies				5,000
Legal and Administrative				3,000
TOTAL				\$61,000

COST SHARING & REPAYMENT: The cost sharing and repayment are:

<u>Agency</u>	<u>Cost Sharing</u>	<u>% of Total</u>
Board of Water Resources	\$19,500	32%
NRCS (319 Grant)	35,400	58
Sponsor	6,100	10
TOTAL	\$61,000	100%

If the board authorizes the project, it is suggested it be purchased at 0% interest over 10 years with annual payments of about \$1,900.

The sponsor assesses about \$4.00/share for operation and maintenance costs. With the proposed project in place, the cost will be an additional \$12.34/share or \$12.10/acre.

FINANCIAL FEASIBILITY: The annual net benefit from increased crop production and water savings of about 200 acre-feet is \$7,700. The proposed board and grant share of the project is 90%, and it could be argued that the sponsor's repayment ability should equal the annual net benefit. Staff suggests, however, that the board fix the purchase period at ten years to match its traditional minimum. The resulting approximate annual payment of \$1,900 is 25% of the net benefit.

BENEFITS: The project will reduce maintenance and provide a more reliable water supply to the users at the end of the system.

PROJECT SPONSOR: The Grave Yard Ditch Irrigation Company has an "Expired" status with the state Department of Commerce and will need to renew its license before the Board can fund the project. The company incorporated on August 1, 1944. It distributes water to seven shareholders irrigating an average of 157 acres and holding 154 shares.

The sponsor has not received financial assistance from the board in the past.

WATER RIGHTS & SUPPLY: Water Right No. 65-3234 for 4.97 cfs from the Sanpitch River.

ENVIRONMENTAL: No permanent impacts will occur during construction of the project.

WATER CONSERVATION: The sponsor will be required to submit a Water Management and Conservation Plan. The project will add about 200 acre-feet of water to the project area.

SPONSOR'S RESPONSIBILITIES: If the board authorizes the proposed project, the sponsor must do the following before construction can begin:

1. Become registered in good standing with the state Department of Commerce.
2. Obtain a federal tax identification number.
3. Obtain all easements, rights-of-way, and permits required to construct, operate, and maintain the project.
4. Pass a resolution by the appropriate (as defined in the company's Articles of Incorporation and Bylaws) majority of company stock authorizing its officers to do the following:
  - a. Assign properties and easements required for the project to the Board of Water Resources.
  - b. Enter into a contract with the Board of Water Resources for construction of the project and subsequent purchase from the Board.
5. Have an attorney give the Board of Water Resources a written legal opinion that:

a. The company is legally incorporated for at least the term of the purchase contract and is in good standing with the state Department of Commerce.

b. The company has legally passed the above resolution in accordance with the requirements of state law and the company's Articles of Incorporation and Bylaws.

c. The company has obtained all permits required for the project.

6. Have an attorney give the Board of Water Resources a written legal opinion that:

a. The company owns all easements and rights-of-way for the project, as well as the land on which the project is located, and that title to these easements, rights-of-way, and the project itself can be legally transferred to the Board.

b. The company's water rights applicable to the project are unencumbered and legally transferable to the Board of Water Resources, and that they cover the land to be irrigated by the project.

In lieu of an attorney's opinion, the company may obtain a title insurance policy in the name of the Board of Water Resources for the easements, rights-of-way, land, and water rights necessary for the project.

7. Obtain approval of final plans and specifications from the Division of Water Resources.

8. Submit and obtain approval of a Water Management and Conservation Plan.

PROJECT  
CONTACT  
PEOPLE:

President:	James Cheney Box 305 Fairview, UT 84629 Phone: (435) 427-3344
Engineer:	NRCS Anthony Steinfeldt 50 South Main Manti, UT 84642-1376 Phone: (435) 835-4111



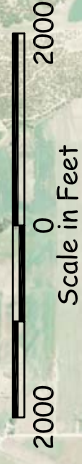
**GRAVE YARD DITCH  
IRRIGATION COMPANY**  
Proposed Pipeline Project  
Sanpete County

Project  
Location



T14S, R4E

- Proposed Pipeline
- Existing Ditch
- Existing Pipe



Scale in Feet

T13S  
T14S

R3E  
R4E

FAIRVIEW

89

31

31

36

35

34

6

1

2

3

BOARD OF WATER RESOURCES

Feasibility Report

Revolving Construction Fund

Appl. No.: **E-221**

Received: 3/7/07

Approved: 3/7/07

To be Presented at the August 10, 2007 Board Meeting

SPONSOR: **GLENWOOD IRRIGATION COMPANY**

President: Jeffrey Anderson

LOCATION: The proposed project is located in and around the town of Glenwood, about six miles east of Richfield in Sevier County.

EXISTING  
CONDITIONS  
& PROBLEMS: Glenwood Irrigation Company supplies secondary irrigation water to 234 shareholders (669 shares) irrigating about 650 acres of farmland. About 200 residences use the water for lawn and gardens. Approximately 70% of the shares are used for agricultural irrigation, most of which is sprinkle irrigated.

The system is divided into an upper and a lower zone. The upper zone is fed by two springs and the main pond. The lower zone is also fed by two springs (Parcell and Plant Pasture) and two lower ponds. In addition, the main pond feeds the lower ponds (non-storage). When there is high pressure in the upper zone due to low water use, the excess water goes to the lower zone rather than the main storage pond. It then goes to an overflow vault with a pressure relief valve that releases the water from the system. The relief valve also is prone to leaking.

Additionally, there are both deficient and excess pressures throughout the town and agricultural areas. The deficient pressures do not allow for proper irrigation and the excess pressure causes line and riser breaks. Currently, a potential exists of flooding some new residences from the overflow at the Parcell and Plant Pasture springs.

PROPOSED  
PROJECT:

The sponsor is requesting financial assistance from the board to connect the upper and lower zones of the system and install pressure regulating valves at several locations to better distribute pressures. The project will include nearly 1,000 feet of 4-inch pipe, three pressure reducing valves and vaults, a pressure sustaining valve and vault, and two pressure relief valves. Sunrise Engineering in Fillmore is providing technical assistance.

The project fits in Prioritization Category 3 (agricultural project that will provide significant economic benefit to the area).

COST ESTIMATE:

The following cost estimate is based on the engineer's preliminary design and has been reviewed by staff:

<u>Item</u>	<u>Description</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Amount</u>
1.	Mobilization	LS	\$10,000	\$ 10,000
2.	Traffic Control	LS	1,000	1,000
3.	4" PIP Pipe, 100#	1,000 LF	8.00	8,000
4.	Trench Work	1,000 LF	2.80	2,800
5.	Asphalt	100 TN	100	10,000
6.	Base Course	140 TN	15.00	2,100
7.	4" Gate Valve	3 EA	700	2,100
8.	4" PRV & Vault	1 EA	6,000	6,000
9.	6" PRV & Vault	2 EA	8,000	16,000
10.	8" PRV & Vault	2 EA	12,000	24,000
11.	4" PRV	1 EA	4,000	4,000
12.	14" PRV	1 EA	20,000	<u>20,000</u>
Construction Cost				\$106,000
Contingencies				11,000
Right-of-Way/Easement Preparation				5,000
Preliminary Report				9,000
Legal and Administrative				5,000
Design and Construction Engineering				<u>16,000</u>
TOTAL				\$152,000

COST SHARING  
& REPAYMENT:

The recommended cost sharing and repayment are:

<u>Agency</u>	<u>Cost Sharing</u>	<u>% of Total</u>
Board of Water Resources	\$128,000	84%
Sponsor	<u>24,000</u>	<u>16</u>
TOTAL	\$152,000	100%



If the board authorizes the project, it is suggested it be purchased at 0% interest over 20 years with annual payments of \$6,400.

FINANCIAL  
FEASIBILITY:

Benefits from the project will be the value of 145 acre-feet of agricultural water annually, plus the savings in operation and maintenance costs:

Annual Benefit of Water Savings	\$ 6,300
Annual Reduction of O&M	<u>1,500</u>
ANNUAL NET BENEFIT	\$ 7,800

With the proposed board share of 84%, it is suggested the sponsor's repayment ability be calculated as approximately 84% of the annual benefit, or \$6,400 per year. This is equivalent to \$10 per acre.

BENEFITS:

The project will conserve an estimated 145 acre-feet annually. It will also reduce the flood potential near Parcell and Plant Pasture springs and reduce operation and maintenance costs.

PROJECT  
SPONSOR:

The Glenwood Irrigation Company is currently in "Good Standing" with the state Department of Commerce. The existing pressurized system was installed in 1976. The company serves about 234 shareholders irrigating about 650 acres (669 shares). The share assessment is \$30/share.

In 1976 the sponsor received approximately \$142,000 to install the existing pressurized irrigation system. In 1987 the sponsor received \$60,000 to upgrade the system. These loans have both been repaid.

WATER RIGHTS  
& SUPPLY:

The sponsor has the following water rights:

<u>WRNUM</u>	<u>Flow (cfs)</u>	<u>Description</u>
63-2515	0.930	Water Canyon Creek Spring
63-3156, 63-3157 (a14141)	1.170	Parcell Creek Spring
63-3171	Unknown	Glenwood Springs
63-2115	<u>0.670</u>	Mill Canyon Springs
TOTAL	2.770	
63-2114	1020 AF	Big Lake Reservoir Storage

EASEMENTS: The project is within existing rights-of-way, with the possible exception of the overflow drainage ditch for Parcell Spring.

ENVIRONMENTAL: No environmental disruption is expected. Dust, noise, and traffic disruption will occur during construction.

WATER  
CONSERVATION: The sponsor will be required to prepare a water management plan and obtain approval of it from the Division of Water Resources.

Installing a pressure reducing valve at the connection between the upper and lower zones will conserve an estimated 145 acre-feet annually.

SPONSOR'S  
RESPONSIBILITIES: If the board authorizes the proposed project, the sponsor must do the following before construction can begin:

1. Obtain all easements, rights-of-way, and permits required to construct, operate, and maintain the project.

2. Pass a resolution by the appropriate (as defined in the company's Articles of Incorporation and Bylaws) majority of company stock authorizing its officers to do the following:

a. Assign properties and easements required for the project to the Board of Water Resources.

b. Enter into a contract with the Board of Water Resources for construction of the project and subsequent purchase from the board.

3. Have an attorney give the Board of Water Resources a written legal opinion that:

a. The company is legally incorporated for at least the term of the purchase contract and is in good standing with the state Department of Commerce.

b. The company has legally passed the above resolution in accordance with the requirements of state law and the company's Articles of Incorporation and Bylaws.



c. The company has obtained all permits required for the project.

4. Have an attorney give the Board of Water Resources a written legal opinion that:

a. The company owns all easements and rights-of-way for the project, as well as the land on which the project is located, and that title to these easements, rights-of-way, and the project itself can be legally transferred to the board.

b. The company's water rights applicable to the project are unencumbered and legally transferable to the Board of Water Resources, and that they cover the land to be irrigated by the project.

In lieu of an attorney's opinion, the company may obtain a title insurance policy in the name of the Board of Water Resources for the easements, rights-of-way, land, and water rights necessary for the project.

5. Obtain approval of final plans and specifications from the Division of Water Resources and Division of Drinking Water.

6. Prepare a water management and conservation plan for its service area, and obtain approval of it from the Division of Water Resources.

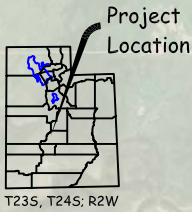
7. Adopt a rule prohibiting its users from irrigating residential landscapes between the hours of 10:00 a.m. and 6:00 p.m.

PROJECT	President:	Jeffrey Anderson
CONTACT		P.O. Box 300507
PEOPLE:		Glenwood, UT 84730-0507
		Phone: (435) 896-4692
	Secretary:	Janet Holt
		P.O. Box 300507
		Glenwood, UT 84730-0507
		Phone: (435) 896-4647
	Board Member/ System Operator:	Jared Dastrup
		P.O. Box 300539
		Glenwood, UT 84730-0539
		Phone: (435) 896-5665

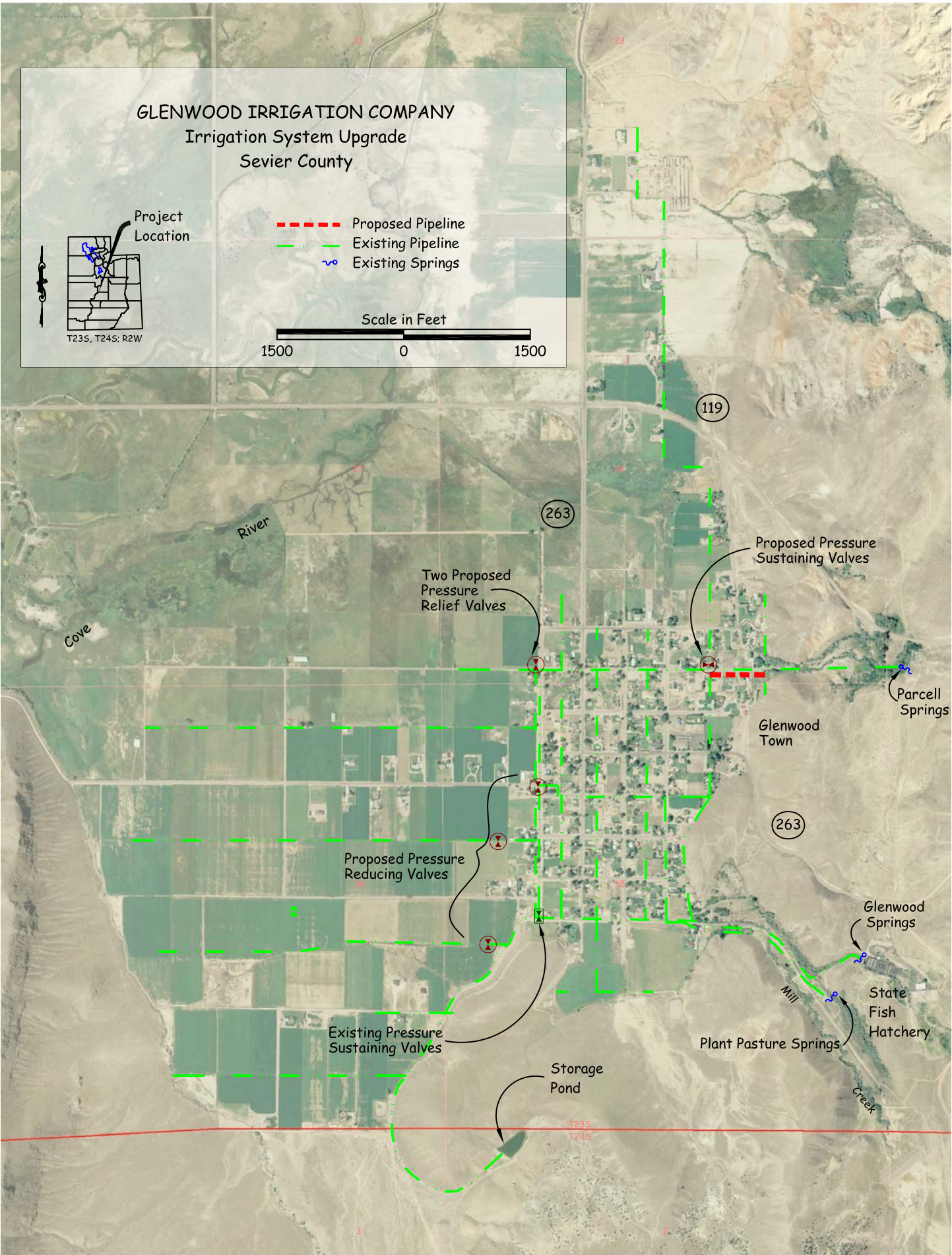
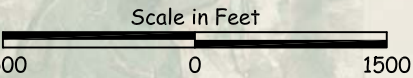
Engineer:

Robert Worley  
Sunrise Engineering  
25 East 500 North  
Fillmore, UT 84631  
Phone: (435) 743-6151

GLENWOOD IRRIGATION COMPANY  
Irrigation System Upgrade  
Sevier County



- Proposed Pipeline
- Existing Pipeline
- Existing Springs



BOARD OF WATER RESOURCES

Feasibility Report

Revolving Construction Fund

Appl. No.: **E-222**  
Received: 3/27/07  
Approved: 4/20/07

To be Presented at the August 10, 2007 Board Meeting

SPONSOR: ***SOUTH COVE CULINARY WATER COMPANY***

President: Randy Larsen

LOCATION: The proposed project is located in Cove, about 10 miles north of Smithfield in Cache County.

EXISTING CONDITIONS & PROBLEMS: The sponsor serves culinary water for indoor and outdoor use to 25 residential connections, one church, and two standby connections. Water is obtained from springs east of town (about 20 gpm). This supply is inadequate for irrigation of lawns and gardens on the system. Twenty connections have at least five shares, which allows them to irrigate through July, August, and September. Five connections have only one share and are unable to adequately irrigate lawns and gardens after July.

Historically the system had an additional spring for backup, but that spring dried up when the irrigation company piped its canals in the late 1970s. The sponsor would like a backup source to provide additional water to connections without adequate irrigation shares.

The sponsor currently has a 20,000-gallon concrete storage tank east of town. The sponsor's 2-inch galvanized steel transmission line extends two miles from the tank and spring to the distribution system, which consists of 4-inch PVC. There are no fire hydrants on the system; residents rely on four fire hydrants connected to the irrigation system.

While the culinary system is rated "Approved" by the Division of Drinking Water, an additional source is

needed for drought conditions and to continue serving existing connections.

PROPOSED  
PROJECT:

The sponsor is seeking financial assistance from the board to drill and equip a new 200-foot well and connect it to the distribution system. Technical assistance is being provided by Martineau Engineering in Smithfield.

The project fits in Prioritization Category 2 (municipal project required to meet existing or impending need).

COST ESTIMATE:

The following cost estimate is based on the engineer's preliminary design and has been reviewed by staff:

<u>Item</u>	<u>Description</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Amount</u>
1.	Mobilization	LS	\$3,800	\$ 3,800
2.	Drill 10-inch Hole	100 LF	98	9,800
3.	Drill 6-inch Hole	100 LF	52	5,200
4.	6" Well Casing	200 LF	26	5,200
5.	Casing Perforation	100 LF	8.50	850
6.	Grout Surface Seal	LS	7,200	7,200
7.	Develop & Test Pump Well	LS	8,750	8,750
8.	Disinfection	LS	2,300	2,300
9.	Site Cleanup & Restoration	LS	2,000	2,000
10.	5 hp Pump	LS	8,300	8,300
11.	Connect to System	LS	2,300	2,300
12.	Water Quality Testing	LS	2,500	2,500
13.	Abandon Existing Well	LS	4,800	<u>4,800</u>
Construction Cost				\$63,000
Contingencies				6,300
Legal and Administrative				5,300
Design and Construction Engineering				<u>3,400</u>
TOTAL				\$78,000

COST SHARING  
& REPAYMENT:

The recommended cost sharing and repayment are:

<u>Agency</u>	<u>Cost Sharing</u>	<u>% of Total</u>
Board of Water Resources	\$66,000	85%
Sponsor	<u>12,000</u>	<u>15</u>
TOTAL	\$78,000	100%

If the board authorizes the project, it is suggested it be purchased at 0% interest over 10 years with annual payments of approximately \$6,600.

FINANCIAL  
FEASIBILITY:

Based on the board's water service affordability guideline, Cove residents could pay up to \$36.38 per month for all water service. The cost of culinary and secondary water with the proposed project, based on 26 residential connections when the first annual payment is due in 2008, is as follows:

	<u>Annual Cost</u>	<u>Cost/Conn/Mo</u>
Operation & Maintenance	\$ 2,500	\$ 8.01
Irrigation Water	1,500	4.81
Proposed BWRe Loan	<u>6,600</u>	<u>21.15</u>
TOTAL	\$10,600	\$33.97

The sponsor's culinary water rate is \$120/year for 10,000 gallons/month. Overage charges are \$0.25/1,000 gallons.

The sponsor plans to raise rates to help pay for the proposed project.

BENEFITS:

An additional water source will provide backup to the system and needed water during drought conditions.

PROJECT  
SPONSOR:

The South Cove Culinary Water Company first began serving water to 28 connections in the late 1800s. The company was incorporated on September 28, 2004 but is currently lapsed with the Department of Commerce. They will need to renew their license before the board can fund the proposed project.

The sponsor has not received funding from the board in the past.

WATER RIGHTS  
& SUPPLY:

The sponsor's culinary water rights are listed below:

<u>Description</u>	<u>Water Right No.</u>	<u>Amount</u>
Existing Well	25-10223	3.0 acre-feet
	25-10224	
	25-10225	
Existing Springs	25-5040	0.123 cfs
Existing Springs	25-5225	0.043 cfs

EASEMENTS: The sponsor will be responsible for securing any necessary easements or permits required for connecting the well to the system.

ENVIRONMENTAL: Very little disruption to the environment is expected.

WATER CONSERVATION: The sponsor will need to complete a Water Management and Conservation Plan as a condition of board funding.

SPONSOR'S RESPONSIBILITIES: If the board authorizes the proposed project, the sponsor must do the following before construction can begin:

1. Become legally incorporated with the state Department of Commerce.
2. Obtain a federal tax identification number.
3. Obtain all easements, rights-of-way, and permits required to construct, operate, and maintain the project.
4. Pass a resolution by the appropriate (as defined in the company's Articles of Incorporation and Bylaws) majority of company stock authorizing its officers to do the following:
  - a. Assign properties and easements required for the project to the Board of Water Resources.
  - b. Enter into a contract with the Board of Water Resources for construction of the project and subsequent purchase from the Board.
5. Have an attorney give the Board of Water Resources a written legal opinion that:
  - a. The company is legally incorporated for at least the term of the purchase contract and is in

good standing with the state Department of Commerce.

b. The company has legally passed the above resolution in accordance with the requirements of state law and the company's Articles of Incorporation and Bylaws.

c. The company has obtained all permits required for the project.

6. Have an attorney give the Board of Water Resources a written legal opinion that:

a. The company owns all easements and rights-of-way for the project, as well as the land on which the project is located, and that title to these easements, rights-of-way, and the project itself can be legally transferred to the Board.

b. The company's water rights applicable to the project are unencumbered and legally transferable to the Board of Water Resources, and that they cover the land to be irrigated by the project.

In lieu of an attorney's opinion, the company may obtain a title insurance policy in the name of the Board of Water Resources for the easements, rights-of-way, land, and water rights necessary for the project.

7. Obtain approval of final plans and specifications from the Division of Water Resources and the Division of Drinking Water.

8. Submit and obtain approval of Water Management and Conservation Plan.

PROJECT  
CONTACT  
PEOPLE:

President:

Randy Larsen  
1290 East 12600 North  
Lewiston, UT 84320  
Phone: (435) 258-2976

Engineer:

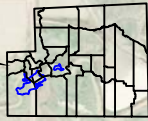
Dean Martineau  
555 West 200 South  
Smithfield, UT 84335  
Phone: (435) 563-9462



# SOUTH COVE CULINARY WATER SYSTEM

Proposed Well  
Cache County

Project  
Location

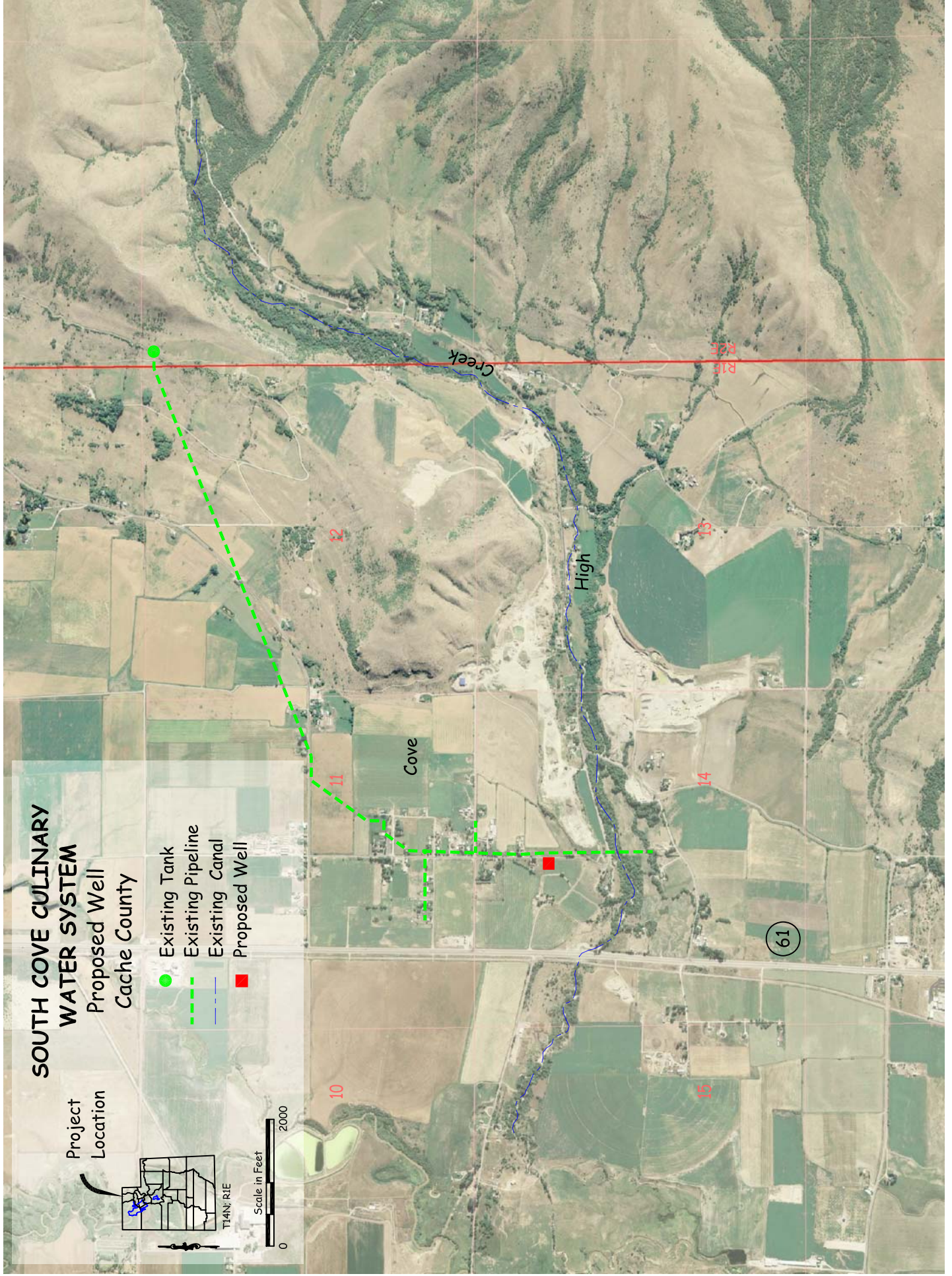
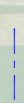
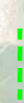


T14N R1E

Scale in Feet



- Existing Tank
- Existing Pipeline
- Existing Canal
- Proposed Well



BOARD OF WATER RESOURCES

Committal of Funds

Conservation and Development Fund

Appl. No.: **E-208**  
Received: 9/7/06  
Approved: 10/27/06  
Authorized: 4/20/07

To be Presented at the August 10, 2007 Board Meeting

SPONSOR: ***SOUTH WEBER IRRIGATION COMPANY***

President: Glen Poll  
766 East South Weber Drive  
South Weber, UT 84405  
Phone: (801) 479-4148

LOCATION: The proposed project is located within South Weber City limits in Davis County.

PROJECT SUMMARY: The sponsor is requesting financial assistance from the board to install a secondary irrigation system throughout its service area. This includes pressurized pipe to replace the existing unlined canal.

COST ESTIMATE & SHARING: The cost estimate and sharing remain as authorized:

<u>Agency</u>	<u>Cost Sharing</u>	<u>% of Total</u>
Board of Water Resources	\$ 978,000	85%
Sponsor	<u>172,000</u>	<u>15</u>
TOTAL	\$1,150,000	100%

PURCHASE AGREEMENT: If the board commits funds to the project, it is suggested the loan terms remain as authorized: the project be purchased at 2.5% interest over 28 years with payments starting at approximately \$26,000 and increasing 5% per year to a final payment of about \$95,000.

BOARD OF WATER RESOURCES

Committal of Funds

Revolving Construction Fund

Appl. No.: **E-213**  
Received: 11/3/06  
Approved: 12/8/06  
Authorized: 1/26/07

To be Presented at the August 10, 2007 Board Meeting

SPONSOR: **ROCKY FORD IRRIGATION COMPANY**

President: Mark Truman  
P.O. Box 49  
Minersville, UT 84752  
Phone: (435) 386-2263

LOCATION: The proposed project is located at the Rocky Ford Dam, five miles east of Minersville in Beaver County.

PROJECT SUMMARY: The sponsor is requesting financial assistance from the board to replace the downstream 42 feet of the spillway and underdrains, repair the discharge side walls, and add air vents.

COST ESTIMATE & SHARING: The sponsor requests the board commit funds for the project as authorized. The authorized cost sharing is:

<u>Agency</u>	<u>Cost Sharing</u>	<u>% of Total</u>
Board of Water Resources	\$ 87,300	90%
Sponsor	<u>9,700</u>	<u>10</u>
TOTAL	\$ 97,000	100%

PURCHASE AGREEMENT: If the board commits funds to the project, it is suggested the loan terms remain as authorized: the project be purchased at 0% interest over approximately seven years with annual payments of \$13,000 beginning in 2011.

BOARD OF WATER RESOURCES

Special Item

Feasibility Report & Committal of Funds

Revolving Construction Fund

Appl. No.: **E-180**  
Received: 8/30/05  
Approved: 9/30/05

To be Presented at the August 10, 2007 Board Meeting

SPONSOR: **TWIN CREEK IRRIGATION COMPANY, INC.**

President: Glen P. Peel

LOCATION: The proposed project is located at the southern edge of Mt. Pleasant City in Sanpete County.

EXISTING CONDITIONS & PROBLEMS: The sponsor diverts water from Twin Creek to irrigate approximately 2,000 residential and agricultural acres within and south of Mt. Pleasant City. Over the years all of the area has been converted to pressurized sprinkle irrigation with the exception of approximately 12 residential and 355 agricultural acres served by Ditches 6 and 7.

It has been estimated that seepage losses of over 1/3 are experienced in the two unlined ditches, with about 225 acre-feet lost annually.

PROPOSED PROJECT: The sponsor is requesting financial assistance from the board to replace Ditches 6 and 7 with a gravity-pressurized irrigation system. The project will include a small desilting pond, a 20 acre-foot regulating pond, nearly 6½ miles of 21 to 4-inch transmission pipe and laterals, about 12,100 feet of 4-inch stockwater pipeline with 2-inch service lines and turnouts, a pressure regulating station, and appurtenances.

Technical assistance is being provided by the NRCS (Natural Resources Conservation Service) Manti office.

The project fits in Prioritization Category 3  
(agricultural project that provides a significant  
economic benefit for the local area).

COST ESTIMATE: The following cost estimate is based on the  
engineer's preliminary design and has been reviewed  
by staff:

<u>Item</u>	<u>Description</u>	<u>Quantity</u>	<u>Unit</u> <u>Price</u>	<u>Amount</u>
1.	Ponds	LS	\$70,000	\$ 70,000
2.	PVC Mainline Pipe			
	a. 21-inch	11,700 LF	41.00	479,700
	b. 18-inch	2,100 LF	25.00	52,500
	c. 15-inch	2,800 LF	21.00	58,800
	d. 12-inch	1,400 LF	13.75	19,250
	e. 6-inch	1,400 LF	8.50	11,900
3.	Laterals w/Risers			
	a. 8-inch	1,300 LF	10.75	13,975
	b. 6-inch	10,200 LF	9.50	96,900
	c. 4-inch	3,200 LF	7.00	22,400
4.	Stockwater Pipeline			
	a. 4-inch Main	12,100 LF	7.00	84,700
	b. 2-inch Laterals	7,300 LF	2.50	18,250
5.	Valves/Fittings	LS	18,000	18,000
6.	Pressure Station	LS	20,000	<u>20,000</u>
Construction Cost				\$ 966,375
Contingencies				96,625
Pond Site Purchase				12,000
Legal and Administrative				10,000
Design and Construction Engineering				<u>15,000</u>
TOTAL				\$1,100,000

COST SHARING & REPAYMENT: The recommended cost sharing and repayment are:

<u>Agency</u>	<u>Cost Sharing</u>	<u>% of Total</u>
Board of Water Resources	\$ 475,000	43%
Federal EQIP Grant	460,000	42
Sponsor	<u>165,000</u>	<u>15</u>
TOTAL	\$1,100,000	100%



If the board authorizes the project, it is suggested it be purchased with annual payments of \$15,900 at 0% interest over approximately 30 years.

FINANCIAL  
FEASIBILITY:

Benefits from installing the project were estimated to be primarily from increased crop yields. Annual net benefits are computed as follows:

Annual benefit of estimated increased crop production	\$20,000
Annual reduction of company O&M	500
Less annual cost of sprinkler equipment (355 acres @ \$575/acre minus EQIP grant; 12 yr, 3% ARDL Loan)	-5,000
Net Annual benefit	<u>\$15,500</u>

With the proposed non-sponsor share of the project being 85%, normally it is suggested the sponsor's repayment ability be calculated at 85% of the net annual benefit, or \$13,700; however, this would result in a repayment period of 35 years, which is longer than the typical maximum 30-year repayment period.

Only the 433 shares under Ditches 6 and 7 will be assessed to make the \$15,900 annual payment for the project, equivalent to \$36.72 per share or \$44.79 per acre. Assessments for these shares have averaged around \$7.00 the past few years.

BENEFITS:

Completion of the project will convert the last of the sponsor's ditches to a gravity-pressurized irrigation system. It is estimated that 225 acre-feet of water will be saved annually, which will be used by shareholders within the system.

PROJECT  
SPONSOR:

The Twin Creek Irrigation Company was incorporated in 1891, reorganized on March 23, 2004, and is currently registered in good standing with the state Department of Commerce. Its 2,065 shares are held by 91 shareholders.

The sponsor has not previously received funding from the board.

WATER RIGHTS  
& SUPPLY:

The sponsor holds water right number 65-2257, which allows it to divert up to 35.35 cfs from Twin Creek

for the irrigation of 3,724.6 acres. The company also holds water right 65-753 for 1.95 cfs from a well, and 65-3185 for a high water right.

EASEMENTS: The pipelines will be installed primarily adjacent to existing ditch alignments. The sponsor is purchasing the pond site.

ENVIRONMENTAL: The project will be installed on ground previously disturbed for farming. No long-term environmental impact is foreseen.

WATER  
CONSERVATION: The proposed project will eliminate approximately 225 acre-feet of ditch seepage annually, which will be used by shareholders in the system.

The sponsor will be required to prepare a water management and conservation plan and obtain approval of it from the division.

SPONSOR'S  
RESPONSIBILITIES: If the board authorizes the proposed project, the sponsor must do the following before construction can begin:

1. Obtain all easements, rights-of-way, and permits required to construct, operate, and maintain the project.

2. Pass a resolution by the appropriate (as defined in the company's Articles of Incorporation and Bylaws) majority of company stock authorizing its officers to do the following:

a. Assign properties, easements and water rights required for the project to the Board of Water Resources.

b. Enter into a contract with the Board of Water Resources for construction of the project and subsequent purchase from the Board.

3. Have an attorney give the Board of Water Resources a written legal opinion that:

a. The company is legally incorporated for at least the term of the purchase contract and is in good standing with the state Department of Commerce.

b. The company has legally passed the above resolution in accordance with the requirements of state law and the company's Articles of Incorporation and Bylaws.

c. The company has obtained all permits required for the project.

4. Have an attorney give the Board of Water Resources a written legal opinion that:

a. The company owns all easements and rights-of-way for the project, as well as the land on which the project is located, and that title to these easements, rights-of-way, and the project itself can be legally transferred to the Board.

b. The company's water rights applicable to the project are unencumbered and legally transferable to the Board of Water Resources, and that they cover the land to be irrigated by the project.

In lieu of an attorney's opinion, the company may obtain a title insurance policy in the name of the Board of Water Resources for the easements, rights-of-way, land, and water rights necessary for the project.

5. Obtain approval of final plans and specifications from the Division of Water Resources.

6. Prepare a water management and conservation plan for its service area, and obtain approval of it from the Division of Water Resources.

STAFF COMMENTS: The sponsor has completed most of the board's requirements and requests funds be committed at this time so that it can proceed with project construction prior to the next board meeting.

PROJECT CONTACT PEOPLE:	President:	Glen P. Peel P.O. Box 37 Mt. Pleasant, UT 84647 Phone: (435) 462-9208
	Secretary:	Judy Hill 107 East 200 North Mt. Pleasant, UT 84627 Phone: (435) 462-9527



Engineer:

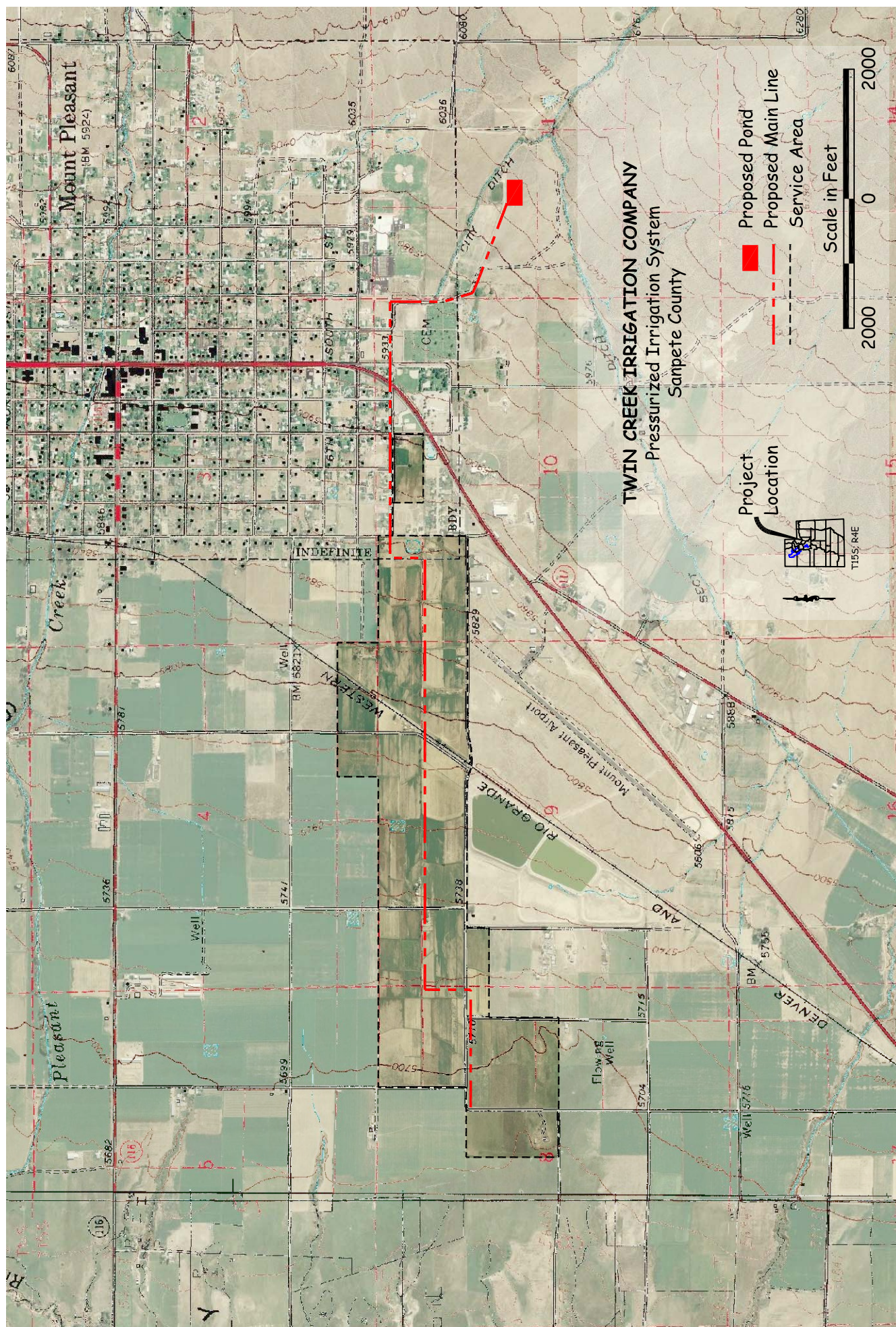
NRCS

50 South Main, Suite #3

Manti, UT 84642

Phone: (435) 835-4171







BOARD OF WATER RESOURCES

Special Item

Feasibility Report and Committal of Funds

Conservation and Development Fund

Appl. No.: **E-225**

Received: 5/1/07

Approved: 6/8/07

To be Presented at the August 10, 2007 Board Meeting

SPONSOR: **WEBER BASIN WATER CONSERVANCY DISTRICT**

General Manager: Tage I. Flint

LOCATION: The proposed project is located within district boundaries in Davis, Weber, Morgan, Box Elder, and Summit counties.

EXISTING CONDITIONS & PROBLEMS: The sponsor delivers approximately 220,000 acre-feet annually within its multi-county service area, including 80,000 acre-feet for municipal and industrial uses and 140,000 for irrigation, including pressurized secondary irrigation systems.

Water is diverted from the Weber and Ogden River drainages and is stored in seven district-operated reservoirs (Causey, East Canyon, Lost Creek, Pineview, Smith & Morehouse, Wanship, and Willard Bay) as well as Weber River Water Users Association's Echo Reservoir. Water is also obtained from 18 deep wells.

The sponsor operates and maintains over 79 miles of canals, several trans-mountain tunnels, two multi-county aqueducts, hundreds of miles of raw water and culinary pipelines, nine major pumping stations, and three culinary water treatment plants and related distribution systems.

Ongoing growth, aging infrastructure, and changes in drinking water requirements are driving the sponsor to expand and upgrade its facilities.

Also, under its Safety of Dams program, the Bureau of Reclamation is pursuing repairs to the sponsor's A.V. Watkins Dam (Willard Bay).

PROPOSED  
PROJECT:

The sponsor is requesting financial assistance from the board to make improvements to its culinary and irrigation water systems as indicated in its Water Master Plan. These improvements will be constructed over several years and include:

1. Upgrading and expanding the Weber South Water Treatment Plant from 26 MGD to 32 MGD.
2. Constructing a diversion on the Weber River near the upstream end of Wanship Reservoir and a pumping facility to deliver 5,000 acre-feet to Park City and Mountain Regional Water Special Service District (MRWSSD). This also includes major upgrades to MRWSSD's existing pump station.
3. Expanding its secondary irrigation system in south Davis County to enable it to deliver water west of Redwood Road in North Salt Lake.
4. Repairing approximately 4½ miles of the A.V. Watkins Dam, including drains, berms, and cut-off trenches.
5. Drilling and equipping three deep wells (1,000 feet) with a capacity of 21 cfs for M&I use.
6. Expanding its Aquifer Storage and Recovery Program (ASR). This includes purchase of an additional gravel pit, construction of permanent ASR ponds, and recovery wells.
7. Upgrading the aqueducts in Weber and Davis counties, including replacing some sections, cleaning and lining the pipelines, and installing isolation valves.

The project fits in Prioritization Categories 2 and 3 (municipal project required to meet existing or impending need and agricultural project that provides significant economic benefit for the local area).

COST ESTIMATE:

The following cost estimate is based on the sponsor's preliminary design and has been reviewed by staff:

<u>Description</u>	<u>Amount</u>
<b>1. WEBER SOUTH TREATMENT PLANT</b>	
Site/Earth Work	\$ 6,700,000
Buildings/Piping	14,000,000
Drying Beds	3,700,000
Landscaping	<u>200,000</u>
Sub-Total	\$24,600,000
<b>2. WEBER RIVER DIVERSION/PUMP STATION</b>	
Diversion	\$ 250,000
New Pump Station	1,600,000
Pump Station Upgrades	<u>3,700,000</u>
Sub-Total	\$5,550,000
<b>3. SOUTH DAVIS SECONDARY IRRIGATION</b>	
Pipe	\$6,500,000
PRV Vaults	500,000
Meter Vaults	<u>300,000</u>
Sub-Total	\$7,300,000
<b>4. A.V. WATKINS DAM REPAIR</b>	
Earth Work	\$ 4,000,000
Cutoff Wall	6,500,000
Interceptor Trench	3,400,000
South Drain Filter System	<u>1,500,000</u>
Sub-Total	\$15,400,000
<b>5. DEEP WELLS (M&amp;I)</b>	
Land Purchase	\$ 300,000
Drilling 3 Wells	3,150,000
Equipping 3 Wells	<u>1,450,000</u>
Sub-Total	\$4,900,000
<b>6. AQUIFER STORAGE &amp; RECOVERY</b>	
Land Purchase	\$ 680,000
New ASR Ponds	450,000
Drilling 2 Recovery Wells	1,980,000
Equipping 2 Recovery Wells	<u>990,000</u>
Sub-Total	\$4,100,000
<b>7. AQUEDUCT UPGRADES</b>	
Isolation Valves	\$ 1,625,000
Pipe Replacement	1,650,000
Aqueduct Cleaning	3,800,000
Aqueduct Lining	<u>5,400,000</u>
Sub-Total	\$12,475,000
Construction Cost	\$74,325,000
Contingency	6,500,000
Legal & Administration	475,000
Design & Construction Engineering	<u>8,700,000</u>
TOTAL	\$90,000,000

COST SHARING  
& REPAYMENT:

The recommended cost sharing and repayment for the entire project and the first phase (Weber South WTP) are:

<u>Agency</u>	<u>Total</u>	<u>% of</u>	<u>Phase I</u>	<u>% of</u>
	<u>Cost Sharing</u>	<u>Total</u>	<u>Cost Sharing</u>	<u>Total</u>
BWRe/	\$59,500,000	66%	\$ 3,465,000	12%
Bond Market			22,035,000	73
Bur. of Rec.	17,000,000	19	0	0
Sponsor	<u>13,500,000</u>	<u>15</u>	<u>4,500,000</u>	<u>15</u>
TOTAL	\$90,000,000	100%	\$30,000,000	100%

If the board authorizes the project, it is suggested the assistance be repaid at 4.3% interest, which is calculated as the weighted average of the amount of M&I and retail secondary water the sponsor delivers (5% interest) and the amount of wholesale irrigation water delivered (3%). Due to the complexity and large scope of the project, it is further suggested the repayment period and annual payments for each phase be determined at the time funds are committed. At those times, either full loans or interest rate buy-downs will be recommended based on the availability of board funds and other factors.

The sponsor is ready to proceed with Phase I of the project, expanding and upgrading its Weber South Water Treatment Facility. Bids have been opened, a contractor hired and preliminary work begun. The sponsor requests funds be committed for the first phase at this time.

If the board commits funds it is suggested it participate in an interest rate buy-down (IRB) with the sponsor to buy the market rate down to an effective rate of 4.3%. The market loan (including sponsor-paid credit enhancements) would be repaid in 30 years at an interest rate of about 4.9% with annual payments of approximately \$1,417,000. The \$3,465,000 bonded indebtedness to the board would be repaid concurrently in 30 years at 0% interest with annual payments of approximately \$120,000 the first 29 years and a final payment of about \$105,000 (includes reserves).

ECONOMIC  
FEASIBILITY:

Economic feasibility is determined by comparing the cost of each project with the costs associated with the best alternative means of reaching the project's goals. The seven projects/phases included in the

sponsor's application are diverse and not easily analyzed as a group. Phases 1, 2, 4, and 7 have no acceptable alternative and are considered to have a benefit/cost ratio of 1.0

Phase 3, South Davis Secondary Irrigation, is to deliver untreated water to the North Salt Lake area and the best alternative is to deliver culinary water through an expanded system, resulting in a b/c ratio of 1.07.

The sponsor indicates Phase 5, Deep Wells, is its next water development project scheduled because it is the least-cost source of water. Phase 6, Aquifer Storage & Recovery, will follow for the same reason, after which a water reuse project is proposed. The benefit/cost analysis of the deep well project therefore compares the costs of the wells to the cost of the next alternative, aquifer storage & recovery, and results in a ratio of 1.14.

Likewise, the benefit/cost analysis for Phase 6, Aquifer Storage & Recovery, compares the costs of that phase to the cost of constructing and operating a water reuse project, and equals 2.08.

FINANCIAL  
FEASIBILITY:

Affordability based on a weight-averaged median adjusted gross income for Davis, Morgan, Summit and Weber Counties has been calculated as \$52.46/connection/month. However, because the sponsor is primarily a wholesaler to dozens of cities and water/irrigation companies, it does not have control over water rates established by its customers and using the board's affordability guideline to calculate repayment would be difficult. It is therefore recommended that each project phase be purchased at 4.3% interest over no more than 30 years.

BENEFITS:

The proposed projects will allow the treatment and delivery of additional culinary and secondary water within its rapidly developing service area. It will also alleviate safety concerns surrounding aging infrastructure.

PROJECT  
SPONSOR:

Weber Basin Water Conservancy District was organized in 1950 to operate the Weber Basin Project. Its principal responsibilities are to: 1) provide for

the conservation, development, and coordination of the water resources within its boundary; 2) repay the financial assistance provided by the United States through the Bureau of Reclamation for the Weber Basin Project (through 2034); 3) construct municipal water treatment and delivery facilities; 4) provide water for irrigation, lawns, and gardens; and 5) drill and maintain wells, and construct dams and reservoirs to augment the water supply.

The sponsor has received financial assistance from the board on five previous occasions: in 1982 to extend the Layton Canal; 1984 for Smith & Morehouse Dam; 1999 for culinary improvements; 2000 for secondary irrigation; and 2002 for various system improvements totaling \$313,000 in grants for credit enhancement and \$10,480,000 in loans, of which about \$5.9 million remains to be paid through 2029.

WATER RIGHTS  
& SUPPLY:

The sponsor utilizes numerous water rights under its name and the Bureau of Reclamation's for the use of Weber and Ogden River water and a number of wells in its service area. It also owns stock in several companies including the Weber River Water Users Association, Davis & Weber Counties Canal Company (D&W), Wilson Irrigation Company, Riverdale Bench Canal Company, North Ogden Canal Company, and Hooper Irrigation Company.

The board holds title to Weber River Decree water A-14, 34 and 39 as well as 338 shares of Weber River WUA stock and 147 shares of D&W company stock for the Layton Canal project, and water rights 35-832 and 5407 for the Smith & Morehouse project. It also holds 225 shares of Wilson Irrigation Company stock and 123 shares of Hooper Irrigation Company stock as security for assistance provided to Kaneshville Irrigation Company for construction of pressurized secondary irrigation systems that the sponsor has taken over.

EASEMENTS:

The majority of the proposed work will be done on existing facilities and in existing easements or road rights-of-way. The sponsor will purchase the proposed well sites and the gravel pit for the expanded aquifer storage and recovery project.



ENVIRONMENTAL: No long-term environmental impact is foreseen for the majority of the proposed work as it will be done on existing facilities and in previously disturbed areas.

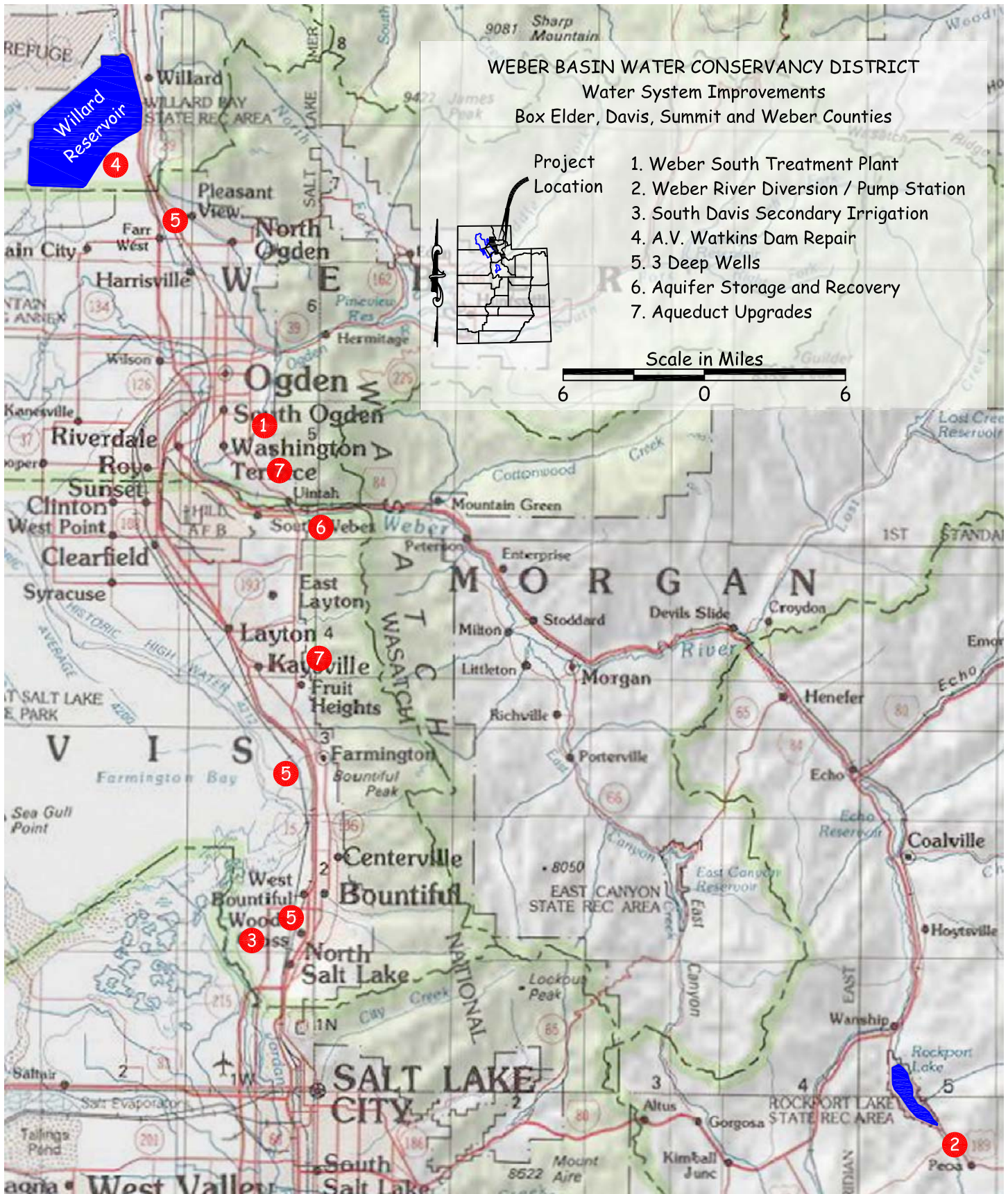
An environmental assessment was made of the proposed diversion and pump station on the Weber River near Wanship Reservoir. The Bureau of Reclamation issued a Finding of No Significant Impact earlier this year.

WATER  
CONSERVATION: The district has enacted water conservation measures such as prohibiting daytime watering between 10:00 a.m. and 6:00 p.m., and is just completing a water conservation demonstration garden.

SPONSOR'S  
RESPONSIBILITIES: If the board authorizes the proposed project, it will be designed, have funds committed, and be built in phases. The sponsor will be able to either contract with the board where water will be taken as security, or sell the board bonds. Because a number of factors influence which of these vehicles will work best for each phase, staff will work with the sponsor in furnishing it the applicable list of requirements to either execute contracts with the board or close bonds.

PROJECT  
CONTACT  
PEOPLE: President: Charlene M. McConkie  
2837 East Highway 193  
Layton, UT 84040  
Phone: (801) 771-1677

General Manager: Tage I. Flint  
2837 East Highway 193  
Layton, UT 84040  
Phone: (801) 771-1677



WEBER BASIN WATER CONSERVANCY DISTRICT  
Water System Improvements  
Box Elder, Davis, Summit and Weber Counties

Project  
Location

- 1. Weber South Treatment Plant
- 2. Weber River Diversion / Pump Station
- 3. South Davis Secondary Irrigation
- 4. A.V. Watkins Dam Repair
- 5. 3 Deep Wells
- 6. Aquifer Storage and Recovery
- 7. Aqueduct Upgrades

Scale in Miles



BOARD OF WATER RESOURCES

Special Item

Application Summary, Feasibility Report, and Committal of Funds

Conservation and Development Fund

Appl. No.: **E-228**

Received: 7/17/07

To be Presented at the August 10, 2007 Board Meeting

SPONSOR: **JORDAN VALLEY WATER CONSERVANCY DISTRICT**

General Manager: Richard Bay  
8215 South 1300 West  
West Jordan, UT 84088  
Phone: (801) 565-4300

LOCATION: The proposed project is located in and around Salt Lake County as well as Davis and Weber Counties.

SUMMARY: Jordan Valley Water Conservancy District is planning to construct the Southwest Aqueduct and facilities on an aqueduct paralleling the Jordan Aqueduct. They are bonding for acquisition of rights-of-way, easements and other property interests for the Wasatch Front Regional Pipeline to be constructed in Weber, Davis, and Salt Lake Counties. They are also bonding for the acquisition of land and other facilities for the drilling and equipping of wells, in connection with its groundwater development program. The bonding will assist in payment of the District's share of the Provo Reservoir Canal, construction of new reservoirs, construction of booster stations and capacity enhancements, additional water rights, and additional system improvements as well as equipment storage and office building.

The District is currently planning that the total cost for these projects will be \$35,625,000. The sponsor has bonded on the market to finance the current project.

REQUEST: The district is requesting the board provide a grant of about \$225,000 to purchase bond insurance and reserve surety. This will reduce the interest rate about 0.349% (3.972% effective interest rate) and save the district approximately \$2,360,000 in interest payments over the bond's repayment period.

ECONOMIC  
FEASIBILITY: The benefit/cost ratio is assumed to be 1.0.

BOARD OF WATER RESOURCES

Special Item

Withdrawal

Conservation and Development Fund

Appl. No.: **E-175**

Received: 7/18/05

Approved: 8/12/05

To be Presented at the August 10, 2007 Board Meeting

SPONSOR: **EAST PANGUITCH IRRIGATION COMPANY**

President: John Orton  
51 North 300 East  
Panguitch, UT 84759  
Phone: (435) 676-8148

LOCATION: The project is located about 1 1/2 miles east of Panguitch in Garfield County.

SUMMARY: Due to flooding in 2005, the sponsor requested financial assistance to stabilize the banks of the Sevier River and remove debris around its diversion dam, as well as install a gate; however, the sponsor completed the project with its own funds. Staff therefore recommends the project be withdrawn from further consideration by the board.

BOARD OF WATER RESOURCES

Special Item

Withdrawal

Revolving Construction Fund

Appl. No.: **E-127**

Received: 1/15/04

Approved: 1/30/04

Authorized: 4/30/04

To be Presented at the August 10, 2007 Board Meeting

SPONSOR: **HI-COUNTRY ESTATES HOMEOWNERS ASSOCIATION**

President: Darrel Wooley  
93 Canyon Road  
Riverton, UT 84065  
Phone: (801) 446-7176

LOCATION: The project is located southwest of Herriman in southwestern Salt Lake County.

SUMMARY: The sponsor requested financial assistance to drill and equip a 12-inch well, construct a pump house with chlorination facilities, and install pipeline to connect the well to the system. It has decided to not construct the project at this time; therefore staff recommends the project be withdrawn from further consideration by the board.

BOARD OF WATER RESOURCES

Special Item

Withdrawal

Conservation and Development Fund

Appl. No.: **E-128**

Received: 1/22/04

Approved: 3/11/04

To be Presented at the August 10, 2007 Board Meeting

SPONSOR: **ALTON FARMERS ASSOCIATION**

President: Raymond Heaton  
Alton, UT 84710  
Phone: (435) 648-2124

LOCATION: The project is located about 15 miles northeast of Orderville in Kane County.

SUMMARY: The sponsor planned to construct an off-stream reservoir to store 630 acre-feet; however, the project was found to be not feasible because of excessive cost. Staff therefore recommends the project be withdrawn from further consideration by the board.

BOARD OF WATER RESOURCES

Special Item

Withdrawal

Revolving Construction Fund

Appl. No.: **E-160**

Received: 12/7/04

Approved: 1/28/05

To be Presented at the August 10, 2007 Board Meeting

SPONSOR: **WEST CACHE IRRIGATION COMPANY**

President: Joseph Larsen  
Box 94  
Newton, UT 84327  
Phone: (435) 563-5667

LOCATION: The project is located about two miles east of  
Weston, Idaho.

SUMMARY: The sponsor requested financial assistance to replace  
an elevated flume with an inverted siphon. The  
sponsor decided to just repair the flume and no  
longer requires assistance. Staff therefore  
recommends the project be withdrawn from further  
consideration by the board.



BOARD OF WATER RESOURCES

Special Item

Flaming Gorge Water Right Application

Water Right No.: **92-638**  
Received: 6/30/98  
First Presented: 1/30/99

To be Presented at the August 10, 2007 Board Meeting

SPONSOR: ***GUNNISON BUTTE MUTUAL IRRIGATION COMPANY***

President: Lee Thayn  
P.O. Box 447  
Green River, UT 84525  
Phone: (435) 564-3325

LOCATION: The requested water will be used to irrigate 2,200 acres of farmland east of Green River in Grand County.

DESCRIPTION: Gunnison Butte Mutual Irrigation Company is a non-profit corporation with shareholders who, through separate and independent water systems, provide water to various lands surrounding the town of Green River.

CURRENT CONDITIONS: In its March meeting, the Board extended the proof-due date for 11,430 acre-feet of the company's 24,825 acre-feet of Flaming Gorge Water Right until December 31, 2008. The remaining 13,395 acre-feet was not granted additional time because nothing had been done to put that water to use.

The sponsor had assigned most of that remaining water to lands owned by the Book Cliff Cattle Company (Book Cliff), which was unable to develop the land and put the water to use. Since the board's action in March, Book Cliff has completed sale of the land to Wilkey Holdings, LLC (Wilkey), which is requesting the water be returned to the sponsor. The sponsor will then assign the water to Wilkey to be used on the purchased land.

In 2002 Book Cliff submitted a business plan prepared by Sonya Spackman of Utah State University to the Division, to back up Book Cliff's claim of preliminary planning. This plan has also been submitted by Wilkey.

The board did not extend this water right application at the March 2007 board meeting because no improvements had been made as of that date.

ECONOMIC/  
FINANCIAL  
FEASIBILITY:

Wilkey claims that it has the finances to proceed with the development of the irrigation system and put this water to use.

DEMAND/SUPPLY:

The original right of 24,825 acre-feet was limited to 15,143 acre-feet depletion. The previously extended right of 11,430 acre-feet is limited to 6,972 acre-feet depletion, which allows for the irrigation of 2,286 acres. Using the same duty of five acre-feet/acre, the Wilkey property of 2,200 acres would need 11,000 acre-feet limited to 6,710 acre-feet depletion.

BOARD OF WATER RESOURCES

Application Summary

Appl. No. **E-226**

Received: 6/25/07

SPONSOR: ***DEVIL'S PASS WATER COMPANY, INC.***

President: Belva Locke  
P.O. Box 202  
Fairview, UT 84629  
Phone: (435) 427-3476

LOCATION: The proposed project is located about two miles  
northwest of Fairview in Sanpete County.

PROPOSED PROJECT: The sponsor is requesting assistance to install three  
regulation reservoirs into its existing pressurized  
irrigation system.

WATER RIGHTS: 65-2870, a23140; 65-2871, a23139

COST ESTIMATE: \$210,000

BOARD OF WATER RESOURCES

Application Summary

Appl. No. **E-227**

Received: 7/9/07

SPONSOR: **THOMPSON DITCH COMPANY**

President: Cory Sudweeks  
20 South 100 West  
Circleville, UT 84723  
Phone: (435) 577-2127

LOCATION: The proposed project is located east of Circleville  
in Piute County.

PROPOSED PROJECT: The sponsor is requesting assistance to replace about  
one mile of its East Ditch with 18-inch pipeline.

WATER RIGHTS: The sponsor has decreed water rights established by  
the Cox Decree.

COST ESTIMATE: \$190,000

BOARD OF WATER RESOURCES

Application Summary

Appl. No. **E-229**

Received: 7/17/07

SPONSOR: **BARTON-LeFEVRE-TEBBS COMPANY**

President: F. Grant Houston  
40 South 100 West  
Panguitch, UT 84759  
Phone: (435) 676-8074

LOCATION: The proposed project is located about five miles north of Panguitch in Garfield County.

PROPOSED PROJECT: The sponsor is requesting assistance to repair its Sevier River diversion dam, construct a 20 acre-foot regulating reservoir, and replace about two miles of canal with 48-inch pipeline.

WATER RIGHTS: 61-2017 and 61-867

COST ESTIMATE: \$650,000

*Unapproved*  
MINUTES OF THE  
BOARD OF WATER RESOURCES MEETING  
June 8, 2007

Auditorium  
Department of Natural Resources Building  
1594 West North Temple  
Salt Lake City, Utah

## TABLE OF CONTENTS

	<u>page</u>
SUMMARY OF BOARD ACTIONS .....	ii
THOSE PRESENT .....	iv
APPROVAL OF MINUTES .....	1
WATER SUPPLY REPORT .....	1
COMMITTAL OF FUNDS	
#E-190 Magna Water Company .....	1
#E-181 North Creek Irrigation Company .....	2
SPECIAL ITEMS	
#E-220 Garfield County School District.....	2
#E-215 Davis & Weber Counties Canal Company.....	3
#E-004 Gunnison Butte Mutual Irrigation Company .....	4
#E-083 Rock Dam Irrigation Company .....	4
#E-109 Town of Goshen.....	4
#E-174 Fountain Green Irrigation Company .....	4
#E-202 Newcastle Water Company.....	4
#E-209 Weber Box Elder Conservancy District.....	5
#E-218 Saratoga Springs.....	5
#E-559 Clearfield City.....	6
DAM SAFETY CONSTRUCTION FUNDING	
#C-036 Enterprise Reservoir & Canal Co. ....	6
FEASIBILITY REPORTS	
#E-204 Grave Yard Irrigation Company .....	7
#E-222 South Cove Culinary Water Company.....	7
LAKE POWELL PIPELINE PROJECT .....	7
DIRECTOR’S REPORT.....	7

## SUMMARY OF BOARD ACTIONS

1. The Minutes of the April 20, 2007, Board meetings were approved as presented. Page 1
2. Funds were committed to the Magna Water Company in the amount of \$7.1 million (27.3%) to be repaid in 30 years at 1.5% interest with annual payments of approximately \$296,000. Page 2
3. The Board committed funds in the amount of \$288,000 (90%) to the North Creek Irrigation Company to be purchased at 0% interest with payments of \$11,600 over approximately 25 years. Page 2
4. The Board authorized and committed funds to the Garfield County School District in the amount of \$459,000 (85%) to be repaid in 23 years at 3% interest at about \$30,000 per year. Mr. Shirley will talk to Bartt Carter one more time before this is finalized. Page 3
5. Phases V and VI of the Davis & Weber Counties Canal Company project were authorized and funds were committed to Phase V in the amount of \$3.175 million (85%) to be purchased at 5% interest over no more than 10 years with annual payments to be \$349,700. Page 4
6. The Board withdrew the applications for the Gunnison Butte Mutual Irrigation Company, RockDam Irrigation Company, Town of Goshen and Fountain Green Irrigation Company from further consideration by the Board. Page 4
7. The Newcastle Water Company contract was amended to provide additional funds in the amount of \$61,000 from the Revolving Construction Fund. The contract will state the \$520,000 (85%) will be repaid in approximately 25 years at 0% interest with annual payments of \$20,800. Page 5
8. The Board participated in an interest rate buy-down with the Weber-Box Elder Conservancy District in the amount of \$233,000 to be paid concurrently with the market loan in 20 years at 0% interest with annual payments of approximately \$11,000 the first six years, \$12,000 the next three years, and \$13,000 thereafter. Page 5
9. The Board provided a grant from the Conservation and Development Fund in the amount of \$117,000 to purchase bond insurance for the City of Saratoga Springs. Page 5
10. A grant was provided from the Conservation and Development Fund in the amount of about \$24,000 to purchase bond insurance for Clearfield City. Page 6
11. The Board provided a 95% Dam Safety Grant to Enterprise Reservoir & Canal Company with a 5% loan of \$160,000 at 0% interest with an annual payment of \$2,500 for 17 years and approximately \$40,000 for the next three years. Page 6



SUMMARY OF BOARD ACTIONS CONT'D.

12. The Grave Yard Irrigation Company and South Cove Culinary Water Company projects were tabled until a later meeting. Page 7

## THOSE PRESENT

The BOARD OF WATER RESOURCES met in regular session on Friday, June 8, 2007 in the Auditorium of the Department of Natural Resources Building 1594 West North Temple Salt Lake City, Utah. Chair Paul McPherson presided over the 8:00 a.m. meeting.

### BOARD MEMBERS PRESENT:

Paul McPherson  
Blair Francis  
Robert Bessey  
Ivan Flint  
Harold Shirley  
John Carman  
Craig Johansen

### STAFF MEMBERS PRESENT:

Dennis Strong Director  
Eric Millis, Deputy Director  
Todd Adams, Asst. Director  
Dave Cole, Chief, Hydrology and Computer Applications  
Randy Staker, Accountant  
Val Anderson, Chief, Investigations  
Brian King, Engineer  
Gina Hirst, Engineer  
Tom Cox, Engineer  
Shalaine DeBernardi, Engineer  
Russell Hadley, Engineer  
Dan Aubrey, Chief Geologist  
Barbara Allen, Secretary

### OTHERS PRESENT:

Randy Julander, NRCS, Snow Survey  
Doug Nielsen, Funding Specialist, Sunrise Engineering  
Paul Blanchard, Business Development Director, Continental Pipe Mfg. Co.  
  
Ed Hansen, District Manager, Magna Water Co.  
Rick Wheadon, Carollo Engineers  
Cory Christiansen, Carollo Engineers

## OTHERS CONT'D

George Park, Superintendent, Garfield County School District  
Justin Baugh, Business Administrator, Garfield County School District  
Bill Weppner, Pres. Garfield County School Board  
John Iversen, Project Manager, Sunrise Engineering

Pete Page, President, Davis & Weber Counties Canal Co.  
Grant S. Cooper, Director, Davis & Weber Counties Canal Co.  
Rick Smith, Project Manager, J-U-B Engineers  
Lee Cammack, Project Engineer, J-U-B Engineers

Stephen Christensen, President, New Castle Water Company

Terel Grimley, General Manager, Weber-Box Elder Conservation District

Ken Leetham, City Manager, City of Saratoga Springs  
Marc R. Edminster, Lewis Young Robertson & Burningham, Inc.

Scott Hodge, Public Works Director, Clearfield City  
Bb Wylie, Finance Director, Clearfield City

Jim Simkins, President, Enterprise Reservoir & Canal Co.  
Robert Holt, Board member, Enterprise Reservoir & Canal Co.  
Brad Price, Design Engineer, Enterprise Reservoir & Canal Co.

MINUTES OF THE  
BOARD OF WATER RESOURCES MEETING  
June 8, 2007

Chair Paul McPherson called the meeting to order.

APPROVAL OF MINUTES

Harold Shirley made the motion, seconded by Blair Francis, to approve the minutes of the April 20, 2007 meetings. The Board unanimously agreed.

WATER SUPPLY REPORT

Randy Julander reported precipitation does not generate a great deal of stream flow when the soil moisture values start to tail off, which they already have. Even 4" of rain barely makes the hydrograph move. We had a great storm and if it would have happened in March it would have put some water down the streams. A very pronounced drying trend started a month early. When you have a drying effect and then precipitation on top of that, most of it is going to be absorbed into the soil and used by plants and evaporation. Most of the reservoirs around the state have already peaked and are declining at a time when they should be topping off and staying full. The surface water supply index indicates most of the state is in the 30% mode. Fifty percent is average.

COMMITTAL OF FUNDS

#E-190 Magna Water Company

Chair McPherson introduced Rick Wheadon, Ed Hansen and Cory Christiansen. Tom Cox reported in March, 2006 the Board authorized a project for the Magna Water Company to construct a 5 MG per day culinary water treatment facility to remove arsenic and percholate from the Barton well field water. Modifications made during the design and higher bids raised the price from the original \$21 million to \$26 million. The Board's cost share of \$7.1 million does not change, therefore, the repayment schedule remains the same.

Ed Hansen said the company appreciates the Board's consideration and support. He said the project's been bid and is ready to begin construction. The company hopes to have the project built by August of 2008. The EPA is going to award the Health and Safety Award for the technology on this project.

Craig Johansen asked Mr. Hansen to describe the process they arrived at to treat this problem. Mr. Hansen and Mr. Wheadon explained the process to the Board.

John Carman made the motion to commit funds to the Magna Water Company from the Conservation and Development Fund in the amount of \$7.1 million (27.3%) to be repaid in 30 years at 1.5% interest with annual payments of approximately \$296,000. Craig Johansen seconded the motion and the Board unanimously agreed.

#### #E-181 North Creek Irrigation Company

Tom Cox reported in February, 2006 the Board authorized a project to replace the deteriorating spillway at Blue Lake Dam which is located 20 miles northeast of Beaver in the Fish Lake National Forest. The State Engineer had indicated to the sponsor they should avoid running more water over the spillway in order to not damage the embankment. Final project approval has not yet been granted, however because of the short construction season in the high elevation, the company needs to obtain committal of funds for the project so it can start construction before the Board's next meeting. All board requirements will be met before any funds are released. The cost estimate and sharing remain the same as authorized.

Harold Shirley made the motion, seconded by Bob Bessey to commit funds to the North Creek Irrigation Company in the amount of \$288,000 (90%) to be purchased at 0% interest with payments of \$11,600 over approximately 25 years. The Board unanimously agreed.

### SPECIAL ITEMS

#### #E-220 Garfield County School District

Chair McPherson introduced George Park, Justin Baugh, Bill Weppner and John Iverson. Russ Hadley reported the Garfield County School District manages all the public schools in Garfield County. The district has been paying \$13,000 to \$18,000 per year for culinary water to irrigate about 11.3 acres of lawns and sports fields at the elementary and high school in Escalante City. The city is doubling its overage rate and will probably have city-wide lawn watering restrictions this summer.

The district is requesting financial assistance to construct its own pressurized irrigation system for Escalante schools, using its 50 acre-foot Flaming Gorge water right by drilling and equipping a 1,000 foot deep 10-inch well and installing 4,000 feet of 8-inch pipeline. The project is estimated to cost \$540,000.

Superintendent Park thanked the Board for its consideration of the project and also complimented staff for the preparation and work done on the project up to this point. Mr. Park then asked the Board to consider lowering the proposed interest rate from 3% to 1 or 2%. He said they are in the business of educating children and are doing the project out of necessity.

Director Strong asked if they had considered purchasing water (less than 50 acre-feet) from the New Escalante Irrigation Company. Mr. Baugh said the irrigation company didn't have the water. Mr. Strong said he was talking about the 50 acre-feet that's reserved in Wide Hollow.

Mr. Strong said owning the well has operational costs, and there are risks associated with it. There will be expenses above and beyond the repayment to the Board of Water Resources. Bill Weppner said if the district owns the well and it is a good well then it becomes a predictable source of water, a predictable expense that's under their control. Working with the New Escalante Irrigation Company does not give the district predictability. So far the district has not been able to work with the irrigation company.

Superintendent Park appealed to the Board to not put the district back to square one and authorize and fund the proposed project so they can go forward.

Harold Shirley reminded the district the Board had already come down 2% on the interest. The City Water Loan Fund's interest rate is 5%. That's 2% less than what you would have received if you had been someone else. He said he would talk to Bartt Carter with the irrigation company again. He made the motion to authorize and commit funds in the amount of \$459,000 (85%) to the Garfield County School District to be repaid in 23 years at 3% interest at about \$30,000 per year with the caveat that Mr. Shirley would talk to Bartt one more time before this is finalized. John Carman seconded the motion and the Board agreed unanimously. Russ Hadley said in his discussion with Bartt Carter, Mr. Carter said there was no guarantee of water in the river. When Wide Hollow Dam is repaired maybe something could be worked out then. In the meantime there isn't anything.

#### #E-215 Davis & Weber Counties Canal Company

Chair McPherson introduced Grant Cooper, Pete Page, Rick Smith and Lee Cammack. Tom Cox reported in August, 1988 the Board authorized a \$38.7 million project to provide pressurized secondary irrigation water in the communities of Kaysville, Layton, Riverdale, Clinton West Point, and Clearfield. The sponsor's historical service area is steadily converting from agriculture to residential use and the sponsor felt the need to install a secondary system in order to continue to serve its area.

The authorized project remaining to be built include a regulating pond, pump station, and associated piping at two locations in the Clinton-West Point area (Phase V and VI). The company has purchased the two sites adjacent to the Hooper Canal and they are here today requesting financial assistance to construct Phase V (one pond, a pump station, and about 2,000 feet of pipe). Phase VI is anticipated to be needed in two or three years.

Approximately \$27.65 million has been spent on the four phases constructed to date. The cost estimates for Phases V and VI are \$3.175 and \$3.05 million, respectively. The total cost of the two remaining phases and those previously installed is estimated to be \$33.88 million.

Lee Cammack said they appreciate the help the Board has given the Davis & Weber Counties Canal Company. Tom has done an excellent job of taking care of the company. Mr. Cammack said the original master plan always assumed there would be another reservoir and source in the Clinton-West Point area, and this is going forward with the master plan. Clinton City has annexed an area that was going to be served by a developer-installed pressure irrigation

system that is now being served by the canal company. That is part of the need for the second reservoir and pump station in that area.

Ivan Flint made the motion the Board re-authorize Phases V and VI of the Davis and Weber Counties Canal Company project, and commit funds to Phase V in the amount of \$3.175 million (85%) to be purchased at 5% interest over no more than 10 years with annual payments to be \$349,700. Bob Bessey seconded the motion and the Board unanimously agreed.

Director Strong said the Davis & Weber Counties Canal is important and there is still a major commitment from the Board and from the company to upgrade, repair and get the canal first class. Secondly, Mr. Strong said he has written a treatise about converting the process of agricultural conversion to urban. It is about moving and using water as the agricultural interests become urbanized – as the land is sold. This allows for those folks who want to continue to farm to do so. It allows for agriculture in Davis County and a cost-effective way for the conversion to take place. It keeps irrigation viable and allows the transfer to take place. Pete Page said the company needs to give credit to JUB Engineering. They've done a very good job. Mr. Cammack said there's still work to be done on the canal, and thanks to the Board as in the last eight years a major portion of the canal has been rehabilitated. Without the canal none of the rest of this works.

#E-004 Gunnison Butte Mutual Irrigation Company

#E-083 Rock Dam Irrigation Company

#E-109 Town of Goshen

#E-174 Fountain Green Irrigation Company

Craig Johansen made the motion to withdraw the Gunnison Butte Mutual Irrigation Company, Rock Dam Irrigation Company, Town of Goshen, Fountain Green Irrigation Company project from further consideration by the Board. Blair Francis seconded the motion and the Board agreed unanimously.

#E-202 Newcastle Water Company

Chair McPherson introduced Stephen Christensen. Russ Hadley reported in July 2006 the Board committed \$459,000 to the Newcastle Water Company to replace the community's small pipelines with an 8-inch pipe, install a booster pump station for a low pressure area, and add fire hydrants to the system.

Because of delays in the project caused by water right transfers, contractor prices have risen. Therefore, the company is requesting an additional \$61,000 from the Board. Mr. Christensen said they had the bid opening two weeks ago. He said the company is ready to go, however they're short on funds. He said the company paid off the Farmer's Home Administration loan

Harold Shirley made the motion to amend the Newcastle Water Company contract and provide additional funds in the amount of \$61,000 from the Revolving Construction Fund. The contract will state the \$520,000 (85%) will be repaid in approximately 25 years at 0% interest with annual payments of \$20,800. John Carman seconded the motion and the Board unanimously agreed.

#### #E-209 Weber-Box Elder Conservancy District

Chair McPherson introduced Terel Grimley. Tom Cox reported in April 2007 the Board committed funds for a project to construct a regulating pond, pump station, and appurtenances on the district's existing secondary irrigation system serving the Pleasant View, North Ogden and Harrisville area.

After funds were committed, the district consulted with its financial advisor and decided to pursue an interest rate buy-down with the Board.

Mr. Grimley said he appreciated working with the Board and staff. In this specific area it is hard to predict the number of homes that will be built and when those folks will hook up; the original funding with the Board was really tight. That's why the district decided to pursue an interest rate buy-down. It will give the district smaller payments over a more extended time.

Ivan Flint made the motion to participate in an interest rate buy-down with the Weber-Box Elder Conservancy District; the market loan will be repaid in 20 years at approximately 4.5% interest with payments of about \$136,000. The \$233,000 bonded indebtedness to the Board will be repaid concurrently in 20 years at 0% interest with annual payments of approximately \$11,000 the first six years, \$12,000 the next three years, and \$13,000 thereafter. The net effective interest rate will be 4%. Craig Johansen seconded the motion and it was unanimously agreed upon by the Board.

#### #E-218 Saratoga Springs

Chair McPherson introduced Ken Leetham and Marc Edminster. Russ Hadley reported the City of Saratoga Springs has plans to install a secondary lawn and garden system throughout the city. The first phase of the project will serve 1,272 homes of the 3,121 homes in the city. They are requesting the Board provide a grant of \$117,000 to purchase bond insurance.

Mr. Leetham said the city appreciated working with staff. He said they are a new city and have been able to financially pay for their improvements. This is the first time they will have to borrow funds for master plan facilities. He went on to tell the Board of the cities future plans regarding culinary and secondary water.

John Carman made the motion to provide a grant from the Conservation and Development Fund in the amount of \$117,000 to purchase bond insurance for the City of Saratoga Springs. Bob Bessey seconded the motion and the Board unanimously agreed.



#### #E-559 Clearfield City

Chair McPherson introduced Scott Hodge and Bob Wylie. Gina Hirst reported Clearfield City is experiencing growth and has an aging infrastructure and irregular pressures throughout the city. The city is currently planning a \$3.3 million project that will include replacing nearly six miles of pipe, adding six pressure regulating valves and a booster station. The city has bonded on the market to finance the current project and is requesting the Board provide a grant of about \$24,000 to purchase bond insurance.

Bob Wylie said the city is just beginning a line replacement program because of aging infrastructure. This is the first phase and is requesting a grant from the Board to cover costs of insurance on the bond that already closed in May.

Ivan Flint made the motion the Board provide a grant from the Conservation and Development Fund in the amount of about \$24,000 to purchase bond insurance for Clearfield City. Blair Francis seconded the motion and the Board unanimously agreed.

#### **DAM SAFETY CONSTRUCTION FUNDING**

##### #C-036 Enterprise Reservoir & Canal Co.

Chair McPherson introduced Jim Simkins, Robert Holt and Brad Price. Shalaine DeBernardi reported the company is requesting financial assistance to upgrade the Upper Enterprise Dam to meet current state dam safety standards. The dam is an old masonry arch dam and the upstream embankment is piping into the left abutment. The upgrade will consist of building a portion of a new dam adjacent to the downstream face of the existing dam. The new dam will consist of a core layer, a drainage layer, and a downstream shell. In addition, both abutments and the foundation will be grouted, and the outlet tunnel will be lined and grouted. The estimated cost of the upgrade is \$3.2 million. Staff is recommending a 90% grant and a 10% loan.

Jim Simkins said they appreciate what the Board has done for the company. He also asked the Board to consider a 95% grant. He said the upgrade done in 1979 didn't work. They still have the same hole on the water side of the reservoir and dam. He said they were still paying for the 1980 project and would appreciate some consideration from the Board. He said the reservoir is now being drained and it is anticipated it will be repaired August 1<sup>st</sup>.

Craig Johansen asked what exactly was done in 1980. Brad Price gave the history of the project.

Harold Shirley made the motion to provide a 95% grant to the Enterprise Reservoir and Canal Company with a 5% loan of \$160,000 at 0% interest with an annual payment of \$2,500 for 17 years and approximately \$40,000 for the next three years. Bob Bessey seconded the motion and the Board unanimously agreed.

## FEASIBILITY REPORTS

### #E-204 Grave Yard Irrigation Company #E-222 South Cove Culinary Water Company

John Carman made the motion to table the Grave Yard Irrigation Company, and South Cove Culinary Water Company projects until a later meeting. Harold Shirley seconded the motion and the Board agreed unanimously.

## LAKE POWELL PIPELINE PROJECT

Eric Millis handed out a report that Montgomery Watson Harza (MWH) prepared on their work so far. Since the last Board meeting the division and MWH staff have met with a number of federal and state agencies both in Salt Lake and Phoenix to get them up to speed on what is being done on the project. He said Dennis, Larry Anderson, Harold Sersland and himself along with MWH staff, and Ron Thompson and attorneys hired in Washington D.C. will be meeting with the Federal Energy Regulatory Commission (FERC) and the Bureau of Land Management (BLM). The question that must be addressed is - would it be best to proceed with the BLM as the lead federal agency or would it be best to do the NEPA compliance as part of the FERC process? They are hoping to wrap the whole process in with the FERC process and have it just one rather than having NEPA compliance and then have to do the FERC process on the side.

Harold Shirley, Management Committee member, reported that things were going really good. He thinks Larry Anderson and Harold Sersland and MWH are doing an excellent job.

## DIRECTOR'S REPORT

Dennis Strong asked Brian King, author of the Drought Report to make a presentation regarding the report. Mr. Strong thanked Mr. King and said they have had a lot of good feedback on the report. It was well done and well received.

Mr. Strong said the Seven Basin States Agreement was signed regarding shortage criteria for Lakes Mead and Powell. This is the first time all Seven Basin States have signed an agreement on operation of the total system. In 1922 six of the seven signed – Arizona didn't. This Agreement goes through 2025. The Agreement and some procedures and suggested guidelines have been sent to the Secretary of the Interior for inclusion in the EIS that Reclamation is in the process of preparing that will identify how Reclamation will operate the reservoirs. The Seven Basin States hope the Agreement and its suggested guidelines become Reclamation's preferred alternative.

Director Strong said there are washing stations at Lakes Mead and Powell to keep Quaggas mussels from spreading. Hot water and salt water kill them, but they are being transported in bilge water and cooling water. They can live several days even in a dry situation.

The Governor's office is proposing a \$2 million increase to Wildlife Resources for additional personnel and boat washing facilities.

Meeting adjourned at 11:25 a.m.

*Unapproved*  
MINUTES OF  
THE BOARD OF WATER RESOURCES  
BRIEFING MEETING  
June 7, 2007

Jordan Valley Water Conservancy District  
8215 South 1300 West  
West Jordan, Utah

BOARD OF WATER RESOURCES  
BRIEFING MEETING  
Jordan Valley Water Conservancy District  
June 7, 2007  
10:00 a.m.

Attendees: Paul McPherson  
Harold Shirley  
Bob Bessey  
John Carman  
Ivan Flint  
Craig Johansen  
Blair Francis

Dennis Strong, Director  
Eric Millis, Deputy Director  
Todd Adams, Assistant Director  
Val Anderson, Chief, Investigations  
Barbara Allen, Secretary  
Randy Staker, Accountant

Discussion of Projects

Grave Yard Irrigation Company

Val Anderson said the company diverts water from the San Pitch River and flood irrigates 150 acres using a 1 1/2-mile concrete-lined ditch and 2/3-mile pipe. They wish to replace 2,400 feet of the ditch with 15-inch PVC pipe, saving approximately 400 acre-feet lost to seepage. The total estimated cost of the project is \$61,000, with the NRCS providing a grant for \$35,400 or 58%. They are requesting the board provide \$19,500 or 32%. Assistance from the board would be given at 0% interest over 10 years with annual payments of about \$1,900. Company officials might not attend and the project might have to be tabled.

South Cove Culinary Water Company

Blair Francis said the company's current water supply is inadequate and they want to drill a new well and connect it to the existing system. The cost estimate is \$78,000, and they are requesting a loan of \$66,000 from the board.

Committal of Funds

North Creek Irrigation Company

Harold Shirley said the company still needs to get permits from the U.S. Forest Service and the State Engineer, but is asking to have funds committed as authorized at this time due to the short construction season in that area; then construction could begin as soon as the permits

are obtained. The company is hopeful that they will have those approvals before the next board meeting.

#### Magna Water Company

Val Anderson said the project was authorized in March of last year. It covers 7,800 connections, 12 wells, and two well fields that are contaminated with arsenic and perchlorates. The company wants to build a 50 MGD treatment facility to decontaminate the water to meet standards. The project was authorized for \$21 million, but since then modifications in the design and higher bids have increased the costs to \$26 million; however, the board's cost sharing will be exactly the same as the company has been able to make up the difference from a water quality loan. The board's share will still be \$7.1 million.

John Carman said perchlorate contamination issues are pretty significant around the country and the intent is to try a new state-of-the-art technology treatment. The contamination is coming from the old Morton-Thiokol site, causing thyroid gland problems when consumed over time. Perchlorates can be consumed by bacteria and broken down as long as there's a good, healthy population and a carbon source, which is what they are expecting out of the wastewater treatment step component. The sponsor has obtained multiple-agency support, and Provo Engineering firm has developed the new technology and using a pilot plant has shown it works.

#### Special Items

##### Garfield County School District

Harold Shirley said since the sponsor is a school district and they aren't eligible for help from CIB or other agencies. Wide Hollow Reservoir runs out of water in early June, and the city is implementing a progressive rate of \$3.00 per thousand gallons over 15,000 gallons, then \$6.00 over 25,000 and \$9.00 over 50,000 gallons. The sponsor irrigates 11 acres and is facing extremely high overage fees, so it has decided to drill its own well. The district has 11 acres of grass now, and stands to lose it all.

Director Strong suggested the sponsor look at purchasing 50 acre-feet from the New Escalante Irrigation Company. The district's purchase would help the company make its payments to the board. They'd be assured of \$15 or \$20,000 a year and there's nothing that can be grown that can get that kind of return on 50 acre-feet.

##### Davis-Weber County Canal Company

Eric Millis said the project was originally authorized in 1988 and the board made the decision that once a project was 5 years old, if it hadn't been built or if there were still phases to be built, it would need to come back to the board for reauthorization. Director Strong said there haven't been many projects that extended over this long of a period of time, but needing a review and reauthorization was a good decision by the board. Mr. Flint said there were two phases left to complete the project, and money still available from the originally authorized amount.

### Newcastle Water Company

Eric Millis said the sponsor came in for committal of funds and got a loan for 13 years, and they felt might be too difficult to make the payments, so they looked on the market and found they could get 20 years instead of 13, which would give them some breathing room. They will ask the board if they will give them a grant for an interest rate buydown, making it easier to repay.

### Saratoga Springs

Val Anderson said the project would be built throughout the City of Saratoga Springs. The city is asking for a grant of \$117,000 to purchase bond insurance.

### Clearfield City

Ivan Flint said the project would be built in several phases. The city has complied with all the requirements and needs a grant of about \$24,000 for bond insurance.

### Dam Safety

#### Enterprise Reservoir and Canal Company

Harold Shirley said the company was asking for a 95% grant and a 5% loan for dam safety upgrades on Upper Enterprise Dam. The engineer is RB&G Engineering, and the contractor is out of Las Vegas - Trend West, a highly recommended firm. Plans and specifications have been reviewed and approved by Dam Safety. The reservoir is about 10,000 acre-feet.

### New Applications

#### Weber Basin Water Conservancy District

Ivan Flint said there are serious contaminant problems in the area, and treatment plants are needed. The work will be done in phases over the next five or more years as growth occurs. This indicates what future demands on the board's funds are.

Eric Millis said the project is open to a mix of different funding options and that each phase should be looked at individually when the district is ready to proceed.

Meeting adjourned at 10:45.